

FUNDRAISING IN FINNISH ARTS AND CULTURE ORGANIZATIONS

How is it done and what challenges and development points are there?

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Abstract

In Finland, the arts and culture field has through decades been funded largely by the public sector, unlike in the USA and the UK where fundraising from private sources have always been part of the main operations in arts and culture organizations. However, for example due to uncertainty around public funding, Finnish arts and culture organizations have noticed the increased pressure for additional funding, and recently started to broaden their funding base. Arts and culture organizations have followed Finnish universities by starting active fundraising and increasing company cooperation. The topic of active fundraising in the arts and culture field being relatively new in Finland makes it interesting to study. This study examines how fundraising is currently done in Finnish arts and culture organizations and what challenges and development points there are related to fundraising in the arts and culture field in Finland. Fundraising is examined from a broad perspective including all sources of private funds - individuals, foundations and companies.

This study is a qualitative interview study consisting of 10 interviews. The interviewees consist of 7 professionals of arts and culture organizations, 1 individual donor, 1 private foundation representative and 1 expert in economics. The empirical data was analyzed with thematic analysis. The empirical findings are also discussed with organizational translation theory.

The main findings indicate that Finnish arts and culture organizations are doing active fundraising and company cooperation to different extents, but overall, many are in the beginning of planning and starting active fundraising operations, meaning that the operations include experimentation. Fundraising is seen as more and more necessary to ensure the competitive edge for the arts and culture organizations. It is seen necessary and beneficial not only because of the monetary objectives - need for more funds and broadening and diversifying the funding base - but also because of the communicational and organizational benefits it creates for the arts organizations. The findings also suggest that fundraising from private sources is often done for enabling new initiatives and interesting content. The main challenges or development points the findings suggest are the need for broadening the currently narrow philanthropic culture in Finland, and the need for further developing the public support mechanisms to ease fundraising operations for arts and culture organizations. Other development points include organizations understanding the investment perspective in fundraising and making fundraising operations a more long-term and strategic activity in the organizations, and making companies see the value of arts organizations as beneficial partners, as currently the company cooperations done do not turn into enough funds for the arts organizations.

Keywords art, culture, arts and culture organizations, funding arts and culture, fundraising, private funding, donation, company cooperation, sponsoring, partnership, organizational translation theory, translation

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Työn nimi Varainhankinta suomalaisissa taide- ja kulttuuriorganisaatioissa - kuinka sitä tehdään ja mitä haasteita ja kehityskohteita siinä on?

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Tiivistelmä

Suomessa taidetta ja kulttuuria on vuosikymmenten ajan rahoitettu paljon julkisista varoista, toisin kuin Yhdysvalloissa tai Iso-Britanniassa, joissa yksityinen varainhankinta on aina ollut osa taide- ja kulttuuriorganisaatioiden ydintoimintoja. Kuitenkin esimerkiksi julkisen rahoituksen epävarmuuden takia suomalaiset taide- ja kulttuuriorganisaatiot ovat huomanneet kasvavan paineen lisärahoitukselle, ja näin ollen alkaneet viime vuosina laajentaa rahoituspohjaansa. Taide- ja kulttuuriorganisaatiot ovat seuranneet suomalaisten yliopistojen jalanjälkiä aloittamalla aktiivista varainhankintaa sekä lisäämällä yritysysteistyötä. Koska aktiivinen varainhankinta taide- ja kulttuurialalla on melko uutta Suomessa, on se kiinnostava tutkimuskohde. Tämä tutkielma tarkastelee, miten suomalaiset taide- ja kulttuuriorganisaatiot tekevät yksityistä varainhankintaa, ja mitä haasteita ja kehityskohteita siihen liittyy. Yksityistä varainhankintaa tarkastellaan laajasta näkökulmasta ottaen huomioon kaikki yksityisen rahan lähteet - yksityishenkilöt, säätiöt ja yritykset.

Tutkielma on toteutettu laadullisena haastattelututkimuksena, jota varten haastateltiin 7 taide- ja kulttuuriorganisaatioissa varainhankinnan ja yritysysteistyön parissa työskentelevää henkilöä, yhtä yksityishenkilölahjoittajaa, yhtä taidetta ja kulttuuria tukevassa säätiössä työskentelevää henkilöä sekä yhtä taloustieteen ja verotuksen asiantuntijaa. Kerätty aineisto analysoitiin temaatteisella analyysimetodilla. Tuloksia pohditaan myös organisatorisen translaatioteorian näkökulmasta.

Tulokset esittävät, että suomalaiset taide- ja kulttuuriorganisaatiot tekevät varainhankintaa ja yritysysteistyötä eri laajuuksilla, mutta yleisesti ottaen monet ovat alussa; joko suunnittelemassa tai aloittamassa varainhankintaoperaatioita, mikä tarkoittaa myös sitä, että operaatiot sisältävät kokeiluja. Varainhankinta nähdään taide- ja kulttuuriorganisaatioissa kuitenkin enenevässä määrin välttämättömänä kilpailuedun varmistamiseksi. Rahallisten tavoitteiden lisäksi varainhankinta nähdään tärkeänä myös sen tuomien viestinnällisten ja organisatoristen hyötyjen takia. Tulokset esittävät, että yksityistä varainhankintaa tehdään usein uusien avauksien ja mielenkiintoisten sisältöjen mahdollistamiseksi. Tulosten mukaan varainhankinnan haasteita tai kehityskohteita ovat nykyisen ohuen lahjoituskulttuurin laajentaminen Suomessa sekä julkisten tukimekanismien edelleen kehittäminen varainhankinnan helpottamiseksi. Kehityskohde on myös se, että organisaatiot ajattelisivat varainhankintaa enemmän investointinäkökulmasta. Lisäksi haasteena on varainhankinnan tekeminen pitkäjänteiseksi ja strategiseksi operaatioksi taideorganisaatioissa, sekä yritysten vakuuttaminen taide- ja kulttuuriorganisaatioiden arvosta hyödyllisinä kumppaneina, jotta kumppanuuksilla olisi suurempi rahallinen arvo.

Avainsanat taide, kulttuuri, taide- ja kulttuuriorganisaatiot, taiteen ja kulttuurin rahoitus, varainhankinta, yksityinen rahoitus, lahjoitus, yritysysteistyö, sponsorointi, kumppanuus, organisatorinen translaatioteoria, translaatio

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1 INTRODUCTION

In Finland, the arts and culture field has through decades been funded largely by the public sector: by the Finnish state and municipalities. However, for example due to declining public funding, arts and culture organizations in Finland have noticed the increased need for additional funding. Some organizations have been in serious financial trouble. As an example, UMO Jazz Orchestra has been under continuous financing problems ever since YLE stopped funding it (Helsingin Sanomat, 1.8.2018). As public funds are not going to increase, the answer to UMO's problems would certainly be increasing private funding.

So, the importance of private fundraising also in the arts and culture field has increased, and arts and culture organizations have started to broaden their funding base and do active private fundraising. With the term private fundraising, I mean efforts to receive funds in different forms from private sources: individuals, companies and private foundations. For example, the National Gallery conducted a fundraising campaign in 2016-2017 aiming at receiving around 8 million EUR from the private sector: companies, individuals and foundations (Helsingin Sanomat, 8.3.2016). By the summer 2017, the organization had succeeded in raising 3.2 million EUR (Finnish National Gallery, 2018). Furthermore, the Finnish National Opera and Ballet just started a similar private fundraising campaign in August 2018 (Finnish National Opera and Ballet, 2018). In addition, many Finnish arts and culture organizations do company cooperation to gain much-needed additional funds for their operations. It is said that the arts and culture organizations need more and more the help of sponsoring companies (YLE, 12.1.2016).

The topic being so current and relatively new in Finland makes it interesting to study. As many, but still only some arts and culture organizations in Finland have started to do active fundraising, there is relevance to examine how these Finnish arts and culture organizations currently do fundraising, and what challenges, development points and future insights there are in the Finnish context, so that private fundraising could be further developed and the practices could become more established in Finland.

1.1 Background of the Study

During recent years, there has been a lot of discussion in Finland about financing of arts and culture. As said, the main reason for this is that public funds for arts and culture organizations have been declining. There is a general fear that the public funds given from the Finnish government and municipalities to arts and culture organizations are not going to increase but to decrease. Insecurity among arts and culture organizations is also caused by the current reform of the state subsidy system (*valtionosuusjärjestelmä*) for Finnish arts and culture organizations (Ministry of Education and Culture, 2018c). Therefore, Finnish arts and culture organizations have awoken to these issues and faced pressure to look for more funds from other sources. The direction for receiving additional funds is pointing to the private and third sector: companies, foundations, individuals and other organizations such as nonprofit organizations. The debate about the financing of arts and culture has been especially intensive during the last five years. There have been various opinions, pro and against, about the topic:

“We are living the start of something new. Art organizations must learn new and active ways to operate and launch holistic fundraising.” (translated quote from Heidi Lehmuskumpu,

Helsingin Sanomat, 20.9.2014)

“If the financing of culture is going to be privatized, it will probably cause inequality, if other operations aiming at increasing equality are not added” (translated quote from Anita

Kangas, Helsingin Sanomat, 28.6.2014)

“I believe that the possibilities of private financing will increase in the Finnish art world.”

(translated quote from Risto Ruohonen, Helsingin Sanomat, 28.6.2014)

As we can see, some see the increasing private financing of arts and culture as an opportunity that has to be utilized. On the other hand, some see the broader finance base of arts and culture organizations with more private money as a threat, leading to inequalities and endangering the autonomy of art. Financing of arts and culture has always raised a lot of opinions and different kinds of emotions depending on the person's perspective. A full agreement on the financing system can never be found. Indeed, Finnish Cultural Foundation claims (Rahan kosketus, 2015, p. 5) that in fact, arts and culture has always been in financial crisis, and there is a continuous debate going on how arts and culture should be financed and how much to give public support and how much to leave for private supporters.

Furthermore, the changing landscape of financing arts and culture has been a topic for discussion not only in Finland – in many European countries there has been same discussion about the private financing of arts and culture. In Europe, there are signs about countries becoming more ‘americanized’ in financing arts and culture. Indeed, the private financing model represents the Anglo-Saxon model of financing arts and culture: in the United States and the UK, arts and culture organizations are very much privately funded. The public funding has always been minor to arts and culture in the US, and there are centuries-long social and cultural traditions for philanthropy and fundraising in the country (National Endowment of the Arts, 2012). Professional fundraising, which has been unknown to many other countries such as the European countries, has been done in the US for a long time. Also, indirect public financial support for arts and culture field, such as tax benefits and other tax instruments, is very common in the US (Finnish Cultural Foundation report, 2015).

Therefore, this American model differs a lot from the traditional European and also Finnish model where public funds form the biggest portion of financing of arts and culture organizations in many cases. But, changes to financing of arts and culture organizations in European countries have been made during recent years and will be made also in the future. According to Klammer et al. (2006) in many EU countries there has been development of increased opportunities for private companies, individuals and nonprofit organizations to participate actively to cultural policies. Klammer et al. (2006) use Italy as an example: the public sector dominated the cultural sector, but from the beginning of 2000’s the country has developed laws to involve the private sector in arts and culture field, for example in heritage preservation and even management of cultural sites. The development has been partly due to the increased awareness of the need for new sources of funds for the arts and culture field.

1.2 Research Questions, Research Approach and Literature

My research questions are:

How do Finnish arts and culture organizations do private fundraising? What challenges and development points are there?

My study aims to understand how the Finnish arts and culture organizations do private fundraising, and what challenges, development points and future possibilities are there related to fundraising in arts and culture field in Finland. In my thesis, I will understand the concept

of private fundraising broadly, including donations and grants from private sources (individuals, foundations, companies) and company cooperation including sponsorships and partnerships. To answer my research questions, I am conducting a qualitative interview study. However, my aim is not to develop any specific model of how to do fundraising in arts and culture field in Finland. I am not suggesting that there would be one general model of fundraising that would be suitable for all the arts and culture organizations in Finland.

Fundraising – which draws from business thinking such as relationship marketing (Sargeant & Shang, 2010; Sargeant, 2001) – has been studied mostly in the United States, and therefore it has a strong US context. It has not been researched much in the arts and culture field in Finland, especially from the organizational and business perspective. Only a few Finnish-context studies related to fundraising are related to arts and culture field. Furthermore, most of the studies have concentrated only on sponsorships. In addition, much of the sponsorship studies are about sports sponsorships. Repo (2016) has studied crowdfunding campaigns in music production in Finland, Lassila (2010) fundraising campaigns in social media of humanitarian non-profit organizations. Vottonen (2012) and Salo (2011) have studied sponsorships in Finland, Vottonen (2012) also discussing about culture sponsoring. Furthermore, Rami Olkkonen, currently the Professor of Marketing at Turku School of Economics, has studied also culture sponsorships in the Finnish context, mostly from a corporate communications perspective (see for example Olkkonen et al., 2000; Olkkonen & Tuominen, 2006). Some reports related to private financing of arts and culture, culture sponsoring and company support to arts and culture in Finland have also been made but not recently (Oesch, 2002; Heiskanen et al., 2005; Oesch, 2008).

The lack of studies of fundraising with a broad view in the Finnish context – which differs a lot from the US context – gives motivations to this study. As the theoretical background, I will use academic fundraising, sponsorship and partnership literature. Furthermore, to understand how much the different context can actually influence the phenomenon, management idea or practice in question - in this case fundraising - I am also drawing on organizational translation theory to get a more theoretical background to the topic.

1.3 Structure of the Thesis

This thesis consists of a literature review and a qualitative interview study. In chapter two, I will present the theoretical background for the study. First, I discuss the concepts, practices and methods of fundraising from the academic literature. I also go through some academic literature of company cooperation including sponsorships and partnerships. After that, I form a view to arts and culture field and financing arts and culture based on literature. Finally, I discuss academic literature on organizational translation theory, through which I will examine the fundraising in arts and culture organizations in Finland.

In chapter three, I discuss the research methods for my study, including the research design, and data collection and data analysis methods. In chapter four I present the findings from the empirical study and some analysis of the findings. Chapter five is the discussion part, where I discuss the findings with the theoretical background of the study. In chapter six, I present the conclusions of the study, and discuss practical implications, limitations and suggestions for future research.

1.4 Definitions

Philanthropy can be described as “voluntary action for the public good through voluntary action, voluntary association, and voluntary giving” (Payton, 1988 in Rosso, 2010, p. 8). According to Lindahl (2010, p. 4), philanthropy today provides large support for almost every aspects of human endeavor, which cover art, culture, museums, fighting hunger and poverty, religion, health care institutions, schools and universities.

(Private) fundraising. With this concept I refer to organizations doing fundraising, in other words, seeking funds from the private sector: from private foundations, companies and individuals. Because fundraising in general can refer to seeking funds from both public and private sources, I am using the concept of private fundraising to separate it from seeking public funds, on a conceptual level, even though in real life, the fundraising from public and private sources are mixed together.

Donor means an entity (organizations, foundations, companies) or an individual, who voluntarily gives a donation, in other words funds, to a receiving organization. Donation can also be in the form of products, materials or labour (Seitanidi & Ryan, 2007). The donor can

be for example regarded a customer in fundraising (Lindahl, 2010), but the main difference compared to the traditional meaning of customer in a company setting is that the donor is not given benefits that are equal to the funds or resources the donor has given to the receiving target (Lindahl, 2010), meaning that donors do not receive concrete compensation.

Company cooperation and sponsorships. In my thesis, I will use the term ‘company cooperation’ to cover all the forms of company involvement with arts and culture organizations. I understand sponsorships as more transactional forms of company cooperation and partnerships as the most strategic and integrative, according to Seitanidi & Ryan (2007). Sponsorships are mutually beneficial business partnerships between a sponsor and a sponsee (Olkkonen & Tuominen, 2006). In the context of my thesis, the sponsor is the business company and the sponsee is the arts and culture organization. Sponsorships can involve all kinds of organizations: public, private, for-profit and non-profit. In the sponsorship, the sponsor organization is offering funds in cash or in kind to get the right to be associated with the target organization, event or activity (see for example Meenaghan, 1991; Olkkonen & Tuominen, 2006; Quester & Thompson, 2001). Sponsoring is also an advertising, marketing and communications tool for companies (Olkkonen et al., 2000).

Partnerships. While sponsorships can be thought as more traditional and transactional ways of doing company cooperation, and with more focus on advertising and marketing the sponsoring company, partnerships can be thought as more strategic and higher-level interactive business relationships with a more integrative stage in the corporate community involvement (Seitanidi & Ryan, 2007). An example of a partnership – a more integrative relationship – could be developing a programme together with the company partner and the arts organization to enhance a cultural issue. However, in common language, partnerships and sponsorships are often used to mean the same thing.

Arts and culture organization. With arts and culture organization I mean different types and sizes of organizations, both for-profit and non-profit, which promote arts and culture and produce arts and culture in various forms, such as performances, exhibitions and other activities. Arts and culture fields include audiovisual culture, performing arts, literature, design and architecture, music and visual arts.

Non-profit organization means a type of organization, which is not allowed to distribute the possible profits to board members, CEO, or other shareholders (Lindahl, 2010). Non-profit organizations can be in many forms, for example in the form of a fund, community chest or

foundation (Lindahl, 2010). Many non-profit organizations also work for charitable purposes, such as environmental and humanitarian purposes, but also many arts and culture organizations are non-profit organizations. Such is often the case with my interviewee's organizations in this thesis.

2 LITERATURE

In this chapter, I will go through and discuss about relevant literature and theory related to my thesis topic. First, I will go through fundraising literature, which consists mostly of the US and UK journals and articles. Therefore, the perspectives and for example legislative issues the scholars discuss are based on these countries' cultures and structures.

After discussing general fundraising theory and practice, and donor motivations and behavior, I continue to discuss company cooperation including sponsorships and partnerships more in detail, which are also forms of fundraising for arts and culture organizations. In company cooperation the difference compared to donations is that there are always clear compensations included in company cooperation. However, even though there is no concrete compensation for donors when doing donations, one can argue that the compensation for the donor in donations is embedded in the donor motivations and intangible benefits the donor gets, such as warm-glow or prestige.

Furthermore, crowdfunding is another form of fundraising, but I will not include crowdfunding in my study. This is because usually smaller and independent players, groups or individual artists – the so-called 'free zone' of arts and culture - use it as their fundraising method. In my study, I am concentrating on more established arts and culture organizations. However, to explain briefly, crowdfunding means the online request for funds from a distributed audience (Gerber & Hui, 2013). It is often done via an online platform through which the solicitors - individuals, groups and teams – can solicit funds directly from supporters. The donation happens often in exchange for a reward. In addition to raising funds, the creators or solicitors can also expand awareness of their work, connect with others, gain approval and maintain control through crowdfunding (Gerber & Hui, 2013).

After fundraising and sponsorship literature, I will discuss the context of my study, which is the arts and culture field in Finland and public and private financing of arts and culture in Finland.

Then, I will continue to a brief review of organizational translation theory, which helps to locate the fundraising literature to the Finnish context. Fundraising in its all forms can be thought as a management idea, which travels from context to another and which is intentionally and unintentionally translated, in other words modified and transformed, to that certain new context, in this case Finland. Contexts are different and not everything in the management idea can work in that other context. Organizational translation theory helps to understand the relatively new and evolving phenomenon of fundraising in Finland and how it is obtained and translated in this context.

The fundraising, company cooperation and organizational translation literature form a theoretical framework for my study, which is to examine how fundraising in its main forms – donations and grants from individuals, companies and foundations and compensative company cooperation including sponsorships and partnerships – is done in Finnish arts and culture organizations, and what challenges and development points there are related to that.

2.1 Fundraising Literature

2.1.1 Philanthropy and Fundraising

The concept of philanthropy provides background for fundraising. Philanthropy can be described as “voluntary action for the public good through voluntary action, voluntary association, and voluntary giving” (Payton, 1988 in Rosso, 2010, p. 8). Another definition for philanthropy is “Love of humankind, usually expressed by an effort to enhance the well-being of humanity through personal acts of practical kindness or by financial support of a cause or causes” (Levy, 1996-2003, p. 93 in Lindahl, 2010, p. 4). According to Lindahl (2010), philanthropy today provides large support for many aspects of human endeavor, which cover for example art, culture, museums, reducing hunger and poverty, religion, health care institutions, schools and universities.

Cultural issues in certain country are important for attitudes towards philanthropy and for fundraising possibilities (Repo, 2016). Philanthropic activities can be seen as individual responsibilities, but this differs a lot in different cultures, according to Repo (2016). The USA is a good example of a broadly philanthropic culture, where philanthropy has had a major role in the development of the country (Repo, 2016). The legal and political environment is also favorable to philanthropic actions and fundraising in the US. In Finland instead, philanthropic

culture is different largely because of the different political environment with the public sector having a strong, responsible role. Repo (2016) says that especially the arts and culture field in Finland is still inexperienced in fundraising. Traditionally fundraising has been practiced for social and humanitarian causes in Finland, not arts and culture causes that much.

Fundraising as a concept is broad and it refers to many forms of it. It has multi-faceted practices and is nowadays even more diversified and complex (Rosso, 2010). According to Worth (2012, p. 269), fundraising is an “activity undertaken with the goal of eliciting charitable or philanthropic giving”. More broadly, fundraising can mean all the activities that non-profit organizations are doing to seek support in different forms from individuals, foundations and companies (Lee & Shon, 2018). Fundraising is not only about asking and receiving money (Seiler, 2010). The process of fundraising includes various activities, such as identifying individuals and groups, reaching prospects, soliciting gifts and recognizing donors afterwards. Fundraising also raises awareness of the organization and its programs among solicited prospects and donors (Lee & Shon, 2018). Fundraising is an essential, even crucial part of nonprofit management, but Lee & Shon (2018, p. 2) point out “fundraising may have different strategic implications depending on the share of charitable contributions in total revenue.” However, fundraising can never be a separate, isolated activity in the organization but it must be part of the organization’s management system (Rosso, 2010).

Instead of ‘fundraising’, some researchers and fundraising professionals talk about ‘fund development’, which is considered to be a more strategic term (Lehmuskumpu, 2013). Furthermore, some talk about ‘strategic fundraising’, meaning “Strategically developing the non-profit’s organizational structure and resources, as well as relationships with the prospects and donors to be able to effectively raise funds from individuals, foundations, corporations or governmental institutions” (Lehmuskumpu, 2013, p. 20).

Both organizational and environmental contingencies, and national and local economic conditions affect the priority of fundraising (Lee & Shon, 2018). This can be seen also in Finland as due to pressures to cut public spending in general in Finland and therefore due to uncertain future of public funding of arts and culture, many arts and culture organizations have clearly started to put fundraising as their strategic priority. This is why it is interesting to study fundraising in the Finnish context.

Many authors refer to fundraising as being the activity of non-profit organizations (Sargeant & Shan, 2010; Lee & Shon, 2018). However, Sargeant & Shan (2010) remind that the term

‘nonprofit’ can be slightly misleading here because those organizations still can and do earn a profit - an operating surplus - but the difference to for-profit organizations is that such earnings must be retained by the organizations to invest in future productions, programs and services. The earnings cannot be divided to shareholders.

2.1.2 Fundraising Theories and Practices

Fundraising theories have been developed from various fields: management, marketing, communications, organizational behavior, economics, sociology and psychology (Lindahl, 2010). In general, fundraising theories and practice fall to the field of marketing (Lindahl 2010). The core of both marketing and fundraising is about relationships and building them. Just as marketing is not just about promotion and sales, fundraising is not just about asking. Also, as marketing focuses on the customer, fundraising has the focus on the customers, which are, in this case, the donors and the general public (Lindahl, 2010). However, the biggest difference compared to the traditional meaning of customer in marketing thinking is that the donor is not given benefits that are equal to the funds or resources the donor has given to the receiving target (Lindahl, 2010). However, according to Lehmuskumpu (2013), donors can also be thought as investors instead of customers. Lehmuskumpu (2013) draws on investor relations stating that in strategic fundraising, the donors are treated as investors and the donations as investments.

As relationship building is in the core of fundraising and marketing, many researchers use the term ‘relationship fundraising’ (Sargeant & Shang, 2010; Sargeant, 2001) or otherwise understand fundraising as to be “the art of relationship building” (Tempel et al., 2010, p. 1). So, originated from marketing principles, relationship fundraising is essentially about building strong and long-lasting relationships with the donors and the organization, maintaining the relationships and trying to keep donors loyal. The focus is on donor lifetime value, donor retention, and segmentation of donor groups and serving uniquely each group (Sargeant & Shang, 2010). The fundraisers believe that they can achieve a respectable return on investment over the whole duration of the relationship, so that is why they are also willing to accept lower rates of return in the early stages of fundraising campaigns (Sargeant & Shang, 2010). Also, the focus on donor retention stems from the thinking that it is cheaper to do business with an existing customer than recruiting a new customer, and this thinking applies to donors in fundraising as well (Sargeant 2001).

Rosso (2010) argues that fundraising is based on values, which then should guide the process. He argues that fundraising should never be done simply to raise funds but it must serve the large cause. He also claims that:

“Fundraising projects the values of the total organization into the community whenever it seeks gift support. All aspects of governance— administration, program, and resources development— are part of the whole. As such, these elements must be part of the representation when gifts are sought. Fundraising cannot function apart from the organization; apart from the organization’s mission, goals, objective, and programs; or apart from a willingness to be held” (Rosso, 2010, p. 7)

The fundraising process consists of several functions: Research, Planning, Cultivation, Solicitation, Stewardship, and Evaluation (Lindahl 2010). Research means gaining all the relevant information about the prospective donors and the environment where fundraising is done. Prospective donor research also means monitoring the needs, perceptions, wants and values of them (Seiler 2010). This kind of research can be done with for example surveys, focus groups, participant observation and screening (Lindahl, 2010).

Planning phase includes developing a plan or strategy to guide the fundraising process, based on the information gathered in the research phase and on the organization’s strategy (Lindahl, 2010). General organizational planning tools, such as SWOT analysis, are useful here (Lindahl, 2010). Planning for fundraising must go hand in hand with the planning process for the organization itself (Lindahl, 2010). Therefore, the starting point is to look at the organization’s strategic position and objectives related to fundraising (Sargeant & Shang, 2010 p. 115-116):

1. Where are we now?
2. Where do we want to be?
3. How are we going to get there?

The first question refers to the current position and situation of the organization from the fundraising perspective. This part includes the internal and external review of the organization’s environment and also the earlier performance of the fundraising function. The organization needs to look on all of the donor markets they serve (Sargeant & Shang 2010). The second question is about the objectives and targets of the organization, what they want to achieve. Typically these are total income-generation targets and their sub-targets (Sargeant &

Shang 2010). Lastly, the third question is about the strategy and tactics of the plan for achieving the targets.

Planning can also include developing a fundraising strategy, which consists usually of six components (Sargeant & Shang, 2010): Overall direction, Segmentation strategy, Targeting strategy, Positioning strategy, Branding, Case for support. These are basic concepts for any kind of organizational strategy, but what is important especially in fundraising, is building the case for support. It means, “a detailed rationale expressed to donors of why their support is needed.” (Sargeant & Shang, 2010, p. 181). When building the case for support, the organization needs to think of why the organization exists at all, what services or programs does the organization offer to meet the need or solve the problem, and why should the prospective donors provide gifts and what benefits do the donors get from that (Seiler, 2010, p. 12). The case for support must be convincing and easily understandable. If an organization does not have a case for support, it does not have the right to seek support. The case is always bigger than the organization itself: it is related to a cause being served (Seiler & Aldrich, 2010). A powerful cause of which the potential donor might not even know about yet can be a reason to donate (Courth et al., 2015). The defined case for support can be presented for example on the organization’s website or annual report.

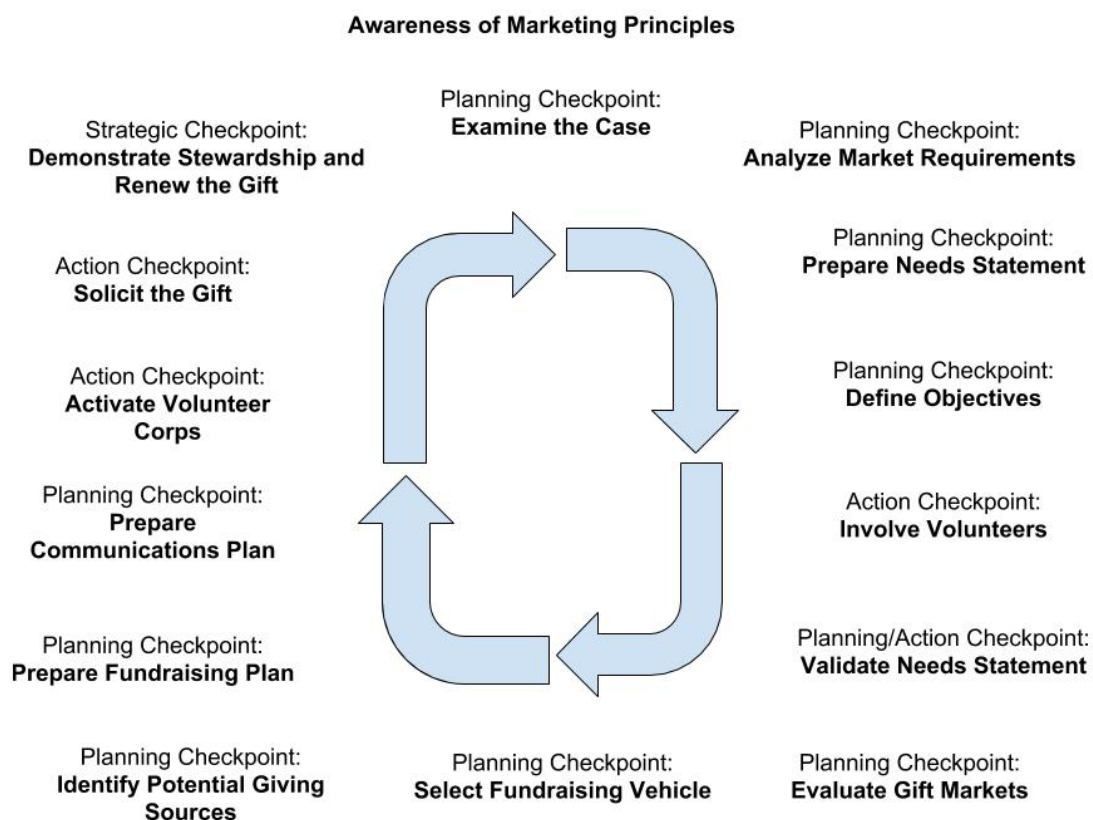
After Planning phase comes Cultivation, which means getting to know the prospective donors and forming relationships with them. All media from face-to-face meetings to newsletters and special events are useful media here. Cultivation takes time and effort, as the fundraisers need to be highly involved with the prospects (Lindahl, 2010). Forming a personal, face-to-face relationship with the donor helps a lot when asking donations, especially major gifts (Lindahl, 2010).

Solicitation – asking the donation - comes after enough cultivation. Even though this is only a small part of the whole process, asking is important as most of the people do not give without asking explicitly (Lindahl, 2010). Many people have reported that “being asked” was the reason for making a donation (Lindahl, 2010). Solicitation happens in many forms and it is important to think about which form is the best for which type and level of donation expected (Lindahl, 2010).

Then, Stewardship is an important part of the process. It means taking good and responsible care of the funds and resources given by the donors to the receiving organization (Lindahl, 2010). Stewardship also includes maintaining the trust of the donors they have for the organization. It is also giving response and recognition for the donor, partially according to the size of the donation (Lindahl, 2010). Finally, Evaluation means assessing the overall success of the fundraising efforts by comparing goals and objectives with the results. This should be done regularly.

The whole fundraising process can also be understood with the model of fundraising cycle (see for example Seiler 2010, p. 11), which presents all the steps in the fundraising process more in detail than described above. Especially planning and actions for the solicitation and deciding fundraising methods are described in detail in the cycle.

Figure 1. Fundraising Cycle.



Composed according to Seiler, 2010, p. 11.

The cycle consists of the same planning, action and strategic checkpoints. All the steps in the cycle are interrelated, and the fundraising process is continuous (Seiler, 2010, p. 11). The

fundraising cycle begins with examining the case at the first planning checkpoint. It is important to notice that the solicitation of the gift comes only at the step thirteen. After the earlier described case and strategy examination and building case for support, the organization needs to analyze the market requirements by market validation (Seiler, 2010, p. 12). Fundraising faces a serious hinder if the markets do not understand or accept the importance of the needs of the nonprofit organization, or even worse, if the markets do not even know about the organization or the needs the organizations addresses. Donors will give to the needs they care about (Seiler, 2010, p. 12).

The next planning steps in the cycle are preparing the needs statement and defining objectives. Preparing the needs statement means deciding what kind of revenues, annual and long-term, the organization needs to be able to carry out its programs, productions and delivering services. Defining objectives means measurable action plans for doing the programs that fulfill the organizations mission (Seiler, 2010, p. 13). After these steps comes the first action step in the cycle: involvement of volunteers. After that, the organizations must validate the needs statement. Also, the volunteers have to support the needs statement (Seiler, 2010, p. 13-14). After these, it is time to evaluate the gift markets in order to decide which markets to approach and which sums to ask for (Seiler, 2010, p. 14).

Then, the organizations must choose the fundraising vehicles, in other words, methods. These are for example direct mail with letters and reply cards, email, social media and websites solicitation, special events, grant seeking, telephone solicitation, personal solicitation, list purchase, conducting a test mailing, pack design, list swaps, unaddressed mail, press and magazine advertising, free-standing inserts, direct response television, radio, billboards and integrated campaigns (Seiler, 2010; Sargeant & Shang, 2010, pp. 248-266). Sargeant & Shang (2010) call these as 'donor recruitment media'. After selecting the fundraising methods, the next step is to identify potential gift sources, which means making more specific lists of prospective donors in each market: individuals, companies and foundations (Seiler, 2010, p. 15). Then, it is time to prepare the fundraising plan, which is supposed to be a call to action with allocated resources for implementing the plan. So, the plan should tell how much money would be raised, for which purposes and targets, in what time, and using which methods (Seiler, 2010, p. 15). After that, the next step is to prepare a communications plan, and after that, it's time to activate a volunteer corps of solicitors (if any) (Seiler, 2010, p. 16).

Only after these steps it is time to actually solicit the gifts. It is important to realize, that soliciting and receiving the gift is not the end of the fundraising process, but actually a start of a deepening relationship between the donor and the organization (Seiler, 2010, p. 16). After receiving a gift, the organization must demonstrate stewardship, as mentioned earlier, which means for example to properly thank the donor for it, and explain how the donation was used. Renewal of donations would not be possible without proper thanking, reporting the use of the donation and proper stewardship of the funds. This leads back to the beginning of the fundraising cycle (Seiler, 2010, p. 16).

There are also different forms of fundraising programs or categories of activity, which basically mean different types of donations (Sargeant & Shang, 2010, pp. 35-36). Fundraising programs include annual fund, special or major gifts, capital campaigns, planned giving and endowment programs. (Sargeant & Shang, 2010, pp. 35-36; Seiler, 2010, p. 14). A successful fundraising program analyzes all the earlier mentioned fundraising methods and techniques and tests them, and evaluates their effectiveness through cost-benefit ratios, for example (Seiler, 2010, p. 14). Below are all the program types explained more in detail:

Annual Fund means, “Organized institutional effort to solicit regular donations from donors.” (Sargeant & Shang, 2010, p. 35). These funds are used to support the daily operations and services and ongoing programs of the nonprofit organization. The purpose of an annual fund is to collect a big pool of active donors who are interested in the organization and its mission (Sargeant & Shang, 2010). These kinds of active donors may often become long-term supporters and major donors for the organization (Sargeant & Shang, 2010). Building a strong annual fund is often the first step in doing successful fundraising (Sargeant & Shang, 2010; Seiler, 2010).

Major Gifts are part of all kinds of campaigns (annual, capital, endowment) but they can also have a separate program (Seiler, 2010).

Capital Campaigns are “organized efforts to raise funds for a particular project with a fixed budget and a fixed timeline.” (Sargeant & Shang, 2010, p. 35). These are often programs, which aim at increasing the assets of the organization, such as building new facilities, renovating them, acquiring land or equipment (Seiler, 2010, p. 44).

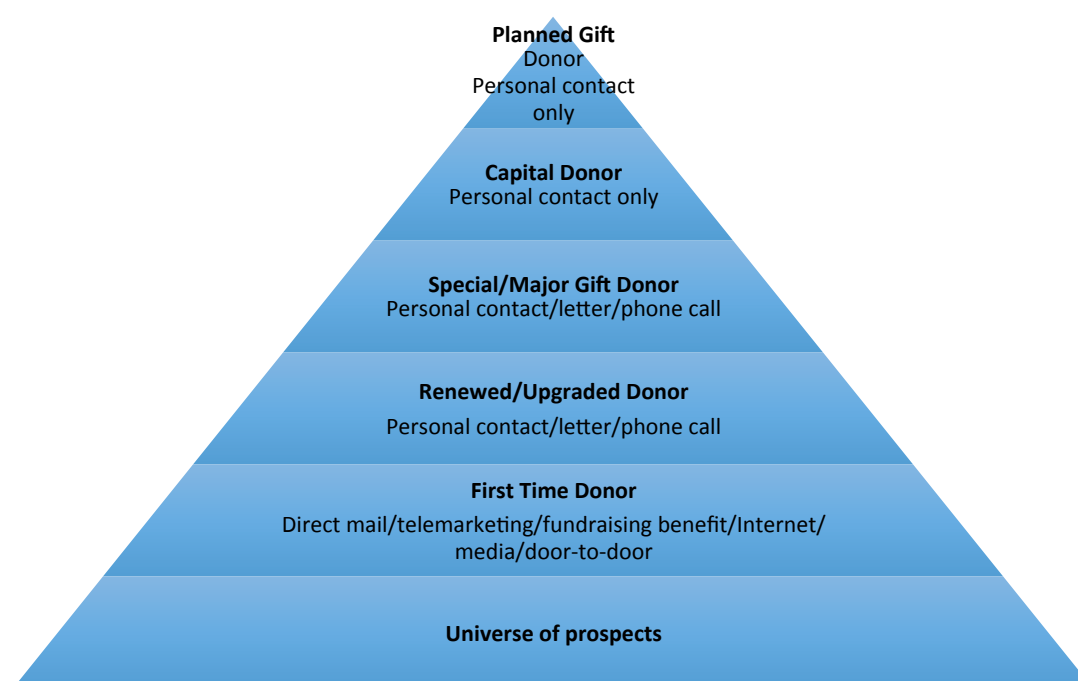
Planned Giving is a type of individual giving. Planned giving takes two main forms: gift made during the lifetime of the donor by means of a trust, a fund or other instrument, or gift

made by will (bequest giving or legacy giving) (Sargeant & Shang, 2010). The donor benefits through reductions in personal or estate tax or capital gains, in the US and UK contexts.

Endowment Campaign, which can be also ongoing, means raising money to begin or increase the funds in an endowment. The established endowments can for example cover annual operating costs or some other aspects of an organization's work (Sargeant & Shang, 2010). The endowment fund is a charitable gift. With endowment funds, organizations can also guarantee some income for the future. This can help to balance the organization's economy from the long-term perspective. However, many professional fundraisers think of endowment campaigns still as just another form of capital campaign (Sargeant & Shang, 2010). An example of this kind of campaign would be the earlier mentioned fundraising campaign of the Finnish National Gallery.

Continuing, a donor pyramid of fundraising strategies model can be a helpful tool to show the typical process of donor involvement according to the type of gift (Seiler, 2010, p. 45):

Figure 2. Donor Pyramid of Fundraising Strategies.

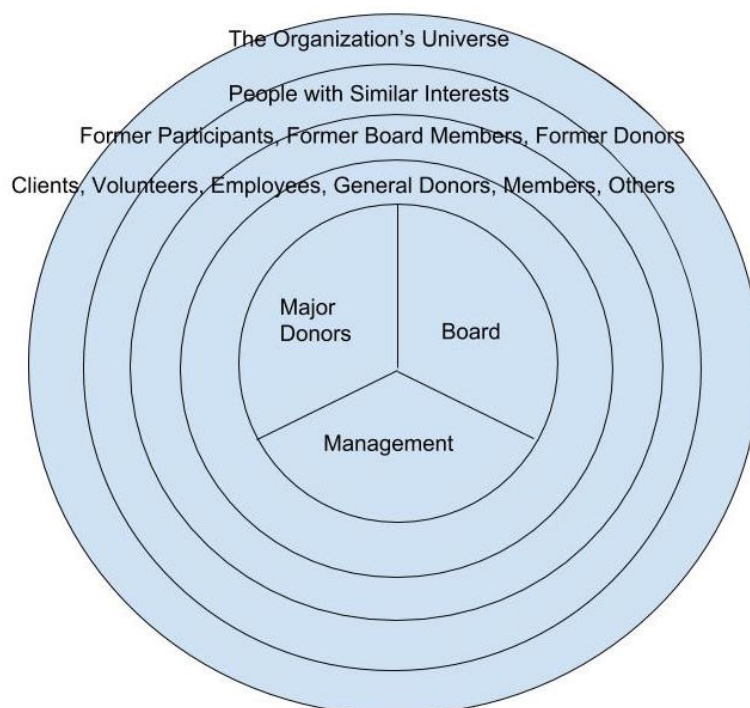


Composed according to Seiler, 2010, p. 45.

The donor pyramid shows the components of an integrated fundraising plan and the interrelatedness of the components (Seiler, 2010). For example, the first donation of a new donor could be as large as a capital gift, not giving to annual fund. The donor pyramid also shows the preferred solicitation techniques for each donor group.

Continuing, segmentation of donors into categories according to certain features is helpful in fundraising when doing the fundraising plan or strategy, as donors and donor groups differ from each other. The fundraising organization can do segmentation of all the prospective support entities: individuals, business markets and corporations, and foundations. The segmentation helps to define which groups to serve, to design fundraising methods and techniques for each group, and to build meaningful relationships with them. An example of categorization is identifying each prospective donor by three criteria (Seiler, 2010, p. 15): linkage to the organization, ability to give gifts at the level being sought, and interest in the work of the organization. Another tool for identifying likely donors and other interested groups is the Constituency Model (Seiler, 2010, p. 20). Constituency means “a distinct group of people with actual or potential interest in the organization” (Seiler, 2010, p. 18). For example, arts organizations’ constituencies are members, patrons and audiences. Among the constituencies, there are not only potential donors, but also potential volunteers and advocates for the organization who are helpful in fundraising. Therefore it is important to identify the constituencies, or in other words, interested parties (Seiler, 2010).

Figure 3. The Constituency Model.



Composed according to Seiler, 2010, p. 20.

In the constituency model, there are included several parties: people who need the services of the organization, people who govern and manage the organization, and people who support

the cause, for example (Seiler, 2010, p. 18). The model shows how the energy is at its strongest in the center and how it flows outwards from the center. In the center the bond is also the strongest. The board of the organization, the management and the major donors form the core of the organization in the model. The more outwards you go in the model, the weaker the bond becomes, and the farther from the core the groups are.

Yet another way of doing segmentation of donors can be done based on marketing principles: segmentation according to features related to geographic location, demographics (age, generation, gender, family life cycle, income, religion, race or ethnicity), psychographics (personality traits, values, lifestyles, combination of these) or based on behavioral aspects, such as knowledge, attitude, response to a product and so on (Sargeant & Shang, 2010, p. 155-166; Seiler, 2010). The segmentation can also help determine donors' behavior, which I will discuss more in the next sub-chapter.

2.1.3 Donor Motivations and Behavior

2.1.3.1 Motivations to Give

Several authors discuss about donor motivations, motives to give and donor behavior in fundraising theory (e.g. Sargeant & Shang, 2010; Sargeant & Jay, 2004; Sargeant & Woodliffe, 2007a and b; Johnson & Ellis, 2011; Courth et al., 2015). It is important to examine these motives and motivations as understanding the other side of the table, the donor, is crucial in fundraising, otherwise it could not be successful. Understanding the motives, behavior and individual characteristics are in the core of fundraising, and it also helps the fundraisers to understand who supports and who does not, and how the giving can be stimulated - what benefits to offer to donors in exchange for the donation, for example (Johnson & Ellis, 2011).

Different motivations apply to different donors. Research related to the topic supports the view that donor motivations can vary broadly (Johnson & Ellis, 2011). Due to the large amount of different donor motivations and the complexity of the individual differences in motivation makes it hard to form any general theories about donor motivations (Johnson & Ellis, 2011). However, a common classification is to divide the motivations to intrinsic and extrinsic motivations (Johnson & Ellis, 2011). Lindahl (2010) makes a similar division:

internal motivations and external influences. Intrinsic motivations derive from the individual's own behavior – the individual feels enjoyment or satisfaction directly from the behavior, the act of giving (Johnson & Ellis, 2011). Extrinsic motivations instead derive from the external rewards, benefits or prestige effect that the individual might receive from the behavior, the act of giving, in this case (Lindahl, 2010; Johnson & Ellis, 2011). These external rewards can be for example flagstones with donor names, and halls named after the donors. Furthermore, an individual can be motivated by a combination of intrinsic and extrinsic motivations, at least initially (Johnson & Ellis, 2011).

The intrinsic motivations relate to the so-called warm-glow. The warm-glow theory explains that there are altruistic and egoistic motivations for people to donate to public goods (Lindahl, 2010). An altruistic person donates to public goods because he/she is happy when others are helped. On the other hand, an egoistic person is motivated to give only by warm-glow, which means “the happiness gained from having given an amount to the public good”. So, what this means in fundraising is that many potential donors feel satisfaction just from the act of donating to a public good, even regardless of the particular cause (Lindahl, 2010, p. 97-98). One can also ask whether truly altruistic giving is ever possible because of the warm-glow the person feels after donating.

Below I have combined information of donors' motives and motivations to give from different authors (Lindahl, 2010, p. 23; Sargeant & Shang, 2010, p. 66-69; Sargeant & Woodliffe, 2007b, p. 276; Courth et al., 2015, p. 27; and Johnson & Ellis, 2011, p. 8):

Table 1. Donor Motivations to Give.

Motivations to give	
Internal/Intrinsic Motivations:	External/Extrinsic Motivations/Influences:
Personal or “I” factors (Self-interest motivations)	Rewards
Acceptance of self, Self-esteem, Self-interest (donors feel better for themselves)	Access to services (donors are motivated by the possible benefits and services they get from the organization in the future if they donate)
Achievement	Having a business benefit
Cognitive interest, a Personal or Professional interest	Personal gain or benefit
Empathy/Sympathy	Recognition, Prestige (donors are motivated by the recognition they receive from the organization and surrounding people)
Growth	Social
Guilt reduction, Avoidance or Atonement for sins (donors feel better for themselves)	Stimulations

Immortality, To create a legacy	Efficiency and effectiveness
In memoriam (donors give in memory of a friend or loved one)	Human needs
Meaning or purpose of life, Making a difference	Personal request, Personally asked to contribute, Not wanting to say no to a peer
Personal gain or benefit	Private initiative
Pity	Reciprocation (donors feel obliged to give back if they have previously got assistance or services, or tangible small gifts, from the organization)
Spirituality	To get a tax deduction
Survival	Vision
Social or “we” factors	Situations
Affiliation	Culture
Altruism (Being a true altruist)	Family involvement
Community, something is owed to the community	Networks
Family and progeny (motivated by strong family values)	Peer pressure
Group endeavor, wanting to belong to something	Personal involvement
Interdependence	Planning and decision making
Power	Role identity
Religion (motivated by their religion, to fulfill a religious obligation or belief)	Tradition
Status	
Negative or “they” factors	
Complexity	
Fear and anxiety	
Frustration	
Insecurity	
Social/Distributive Justice	
Unknown situations	

Table 1. Donor Motivations to Give (Lindahl, 2010, p. 23; Sargeant & Shang, 2010, p. 66-69; Sargeant & Woodliffe, 2007b, p. 276; Courth et al., 2015, p. 27; and Johnson & Ellis, 2011, p. 8)

It is interesting to notice that one of the extrinsic motivations mentioned is tax. While Sargeant & Shang (2010) argue that tax as a motive for giving is controversial, the tax deductions certainly have relevance in this context. Indeed, Sargeant & Woodliffe (2007b, p. 296) propose that “Individual giving is price elastic: a change in the level of taxation resulting in a proportionately higher change in the level of giving.” Also, Sargeant & Shang (2010) admit that empirical evidence shows that the smaller the cost to a donor to make a gift,

the more likely they will be to offer a donation. Here, we must again remember the American focus of the fundraising literature – in Finland the tax reliefs cannot yet be the biggest motives for donating, as the tax environment is very different from the US model. In Finland, private individuals do not currently have the right for tax deduction when giving a donation, except for when donating to Finnish universities (Verohallinto, 2015). I will talk more about this issue in the Findings & Analysis section of my thesis.

All in all, one can argue that the motives to give are actually the compensations the donors get from the giving. One can argue that without the feel of any compensation the person would not donate at all to an organization.

2.1.3.2 Motivations Not to Give

In addition to examining the donors' motives and motivations to give, researching the reasons and motivations not to give can be helpful as they can help fundraisers to identify those negative situations that can be resolved or improved in the fundraising process (Lindahl, 2010). Knowing the possible reasons not to give can also help the organization in efforts for trying to expand the current supporter crowd (Sargeant, Ford & West, 2000). For example lack of information, ineffective communication or undesirable manner of asking can motivate individuals to not give, and by improving these issues fundraisers can improve the situation to motivate giving (Lindahl, 2010). Other possible reasons to nonsupport can be that charities ask for inappropriate sums, the donors cannot afford to offer support, the donors think the government should fund the work undertaken by charities or that the government should fund the soliciting non-profit organization, they feel that the asking organization is not deserving support, or they may already be otherwise engaged supporting a cause they are more passionate about. Also, they may have 'donor fatigue', meaning that they get already many requests and cannot help all (Sargeant et al., 2000, p. 324; Courth et al., 2015, p. 28). This can occur from charities and nonprofit organizations doing profiling of the same supporter base, leading to that they start to target and contact the same most-likely-to-give donors, which then leads to donor fatigue and falling response rates as the donors receive too many solicitations (Sargeant et al., 2000; Courth et al., 2015).

Sargeant et al. (2000) suggest that there should be an educational component in all of the promotional campaigns of organizations to motivate giving and justify the case for support. This is also because many non-givers think that the nonprofit and voluntary sector is not that

necessary - that the work of them should actually be undertaken by the government, or that the government should be funding the non-profit organization. This can also be an issue in Finland as the state has always been the biggest financier of the arts and culture sector and many people in Finland think that it is first and foremost the government's task to finance arts and culture.

2.1.4 Company Cooperation Including Sponsorships and Partnerships

As I take a broad perspective to the solicitors' fundraising from private sources (in the arts and culture field), I include company cooperation to the forms of funding an organization. I use the general term company cooperation in my study, including sponsorships and partnerships. I also use these two separate concepts – sponsorships and partnerships - to show that theoretically they slightly differ from each other, as I will explain further. Sargeant & Shang (2010) include company cooperation including sponsorships and corporate partnerships, in addition to the more philanthropic giving, to the broad concept of corporate fundraising. Oesch (2002 and 2008) and Heiskanen et al. (2005) use the terms sponsoring, company cooperation and marketing cooperation when discussing about companies' support to arts and culture. Company cooperation has increased during the 21st century also in arts and culture field in Finland, which means sponsorships are an increasingly general tool for arts and culture organizations to fund their operations (Sponsor barometer, 2018). It is important to notice here, that both non-profit and for-profit arts and culture organizations can do sponsorships with companies as the sponsorships are part of doing business, but only non-profit organizations can receive charitable and non-compensative donations from companies.

So, in general, there are three categories of motives for companies to support:

1. Charitable (no business benefit expected to the company)
2. Community investment (serving both company's long-term business goals and nonprofit's goals)
3. Commercial (the benefit for the company is the most important)

(Sargeant & Shang, 2010, p. 437)

Seitanidi & Ryan's (2007) concept of Corporate Community Involvement (CCI) can be regarded as an umbrella term for all of these categories. The first step in CCI is often

corporate philanthropy, which therefore gives a background for corporate sponsorships, which is a more developed form of CCI. Other forms of CCI in addition to corporate philanthropy or charitable donations, and corporate sponsorships, are benefaction, patronage, cause related marketing and partnership (Seitanidi & Ryan, 2007). The most developed and latest form of CCI is partnership, which has more of a process orientation instead of just looking at outcomes, and which aims at symmetrical relations and transfer of resources between the company and the supported organization (Seitanidi & Ryan, 2007). I will come back to this later.

CCI becomes more strategic and less altruistic, with corporate responsibility and business purposes in mind, when the company is moving through the corporate philanthropy or charitable donations stages to sponsorships and finally partnerships. Indeed, in philanthropic stages of CCI (corporate philanthropy/charitable donations, benefaction, patronage) the motivations for companies are often altruism, enlightened self-interest or close association with the created piece or target (Seitanidi & Ryan, 2007). When the stage is transactional (commercial sponsorship, socio-sponsorship, cause related marketing), the motivations for companies include sales, promotion and advertising and corporate social responsibility (Seitanidi & Ryan, 2007). When the stage of CCI is integrative (partnerships, alliances, other commercial relationships), the motivation for companies is often corporate social responsibility combined with business purposes (Seitanidi & Ryan, 2007; Burlingame, 2010).

During the 21st century, the forms and practices of CCI have moved from philanthropy to a transactional stage, and recently, to a more strategic and integrative stage meaning partnerships (Seitanidi & Ryan, 2007; Burlingame, 2010). Companies are nowadays more focused in making their support collaborative, strategic and productive rather than just giving funds to somewhere (Burlingame, 2010). Determining and asking how the relationship between the company and the (nonprofit) organization benefits both parties has become increasingly important and is in the core of doing corporate fundraising and company cooperation. Companies are usually most interested in supporting causes that form a link between the company and the nonprofit organization, which will benefit the company both economically and socially (Burlingame, 2010).

Continuing to more detailed levels of sponsorships and company cooperation, as Thjømmøe, Olson & Brønn (2002) mention, scholars use the term sponsorship to cover many kinds of corporate support activities. Thus there is no single all-encompassing definition of it.

Olkkonen & Tuominen (2006, p. 65) give a general definition: “Sponsorship can be defined as a mutually beneficial business relationship between the sponsor and the sponsee”.

O’Hagan & Harvey (2000, p. 205) define sponsorship more in detail as “a two-way commercial exchange between a company and an organisation whereby the company gives resources (primarily money but also donations in kind) to the sponsored event. In return, the company receives promotional or other benefits of having its name associated with the event.” Burlingame (2010, p. 147) describes sponsorships in a nonprofit context, being “company investments of cash or in-kind products or services in return for access to an activity, event, or cause represented by the nonprofit.” Cornwell & Maignan (1998, p. 11) propose that sponsorship involves two main activities: “(1) an exchange between a sponsor and a sponsee whereby the latter receives a fee and the former obtains the right to associate itself with the activity sponsored and (2) the marketing of the association by the sponsor”. The marketing and communication aspect of sponsorships is important, as sponsorship-linked marketing helps the company to maximize the commercial opportunities in sponsoring (Seitanidi & Ryan, 2007). To exploit the commercial potential of sponsorship, it is important for the company to invest more money themselves to the sponsorship than is included in the sponsorship contract to be the invested sum for the sponsored organization (Seitanidi & Ryan, 2007).

Sponsoring is usually planned, systematical and budgeted action aiming at compensations. Targets and objectives are set together between the company and the (arts and culture) organization (Oesch, 2002). The company can use the values and mental image of the arts organization in various areas, such as in the company’s internal marketing, HR management, customer events and consumer campaigns, for example (Oesch, 2002). With these efforts, the company is trying to strengthen or create a positive company image, find common acceptance for the company, and maintain and strengthen relationships and contacts to customers, stakeholders and staff (Oesch, 2002, p. 66).

Although being first and foremost business relationships, sponsorships can have different emphases on motivations of companies doing them. Seitanidi & Ryan (2007) use the division to commercial sponsorships and socio-sponsorships. Commercial sponsorships according to their name aim at brand association, advertising a product or service and increasing sales promotion with an outcome orientation, while socio-sponsorships have a more corporate social responsibility motivation behind, and aim at meeting certain social needs. However, in

both commercial and socio-sponsorships the companies require compensation rewards, as the sponsorship is not a philanthropic action (Seitanidi & Ryan, 2007).

As we can see from the above, most of the sponsorship research has been very managerially oriented with a strong emphasis on the sponsoring company's perspective (Olkkonen et al., 2000). For companies, sponsoring is especially a tool of marketing and corporate communications (Olkkonen et al., 2000). There is less literature from the perspective of the sponsor target organization; the organization, which aims at forming sponsorships and partnerships with companies to gain financial support and increase revenue. For those organizations, such as arts and culture organizations, sponsoring is a way to gain more funds, but it has also other benefits for them. From the perspective of an arts and culture organization, sponsoring means offering cultural knowledge, products and services to companies, in exchange of money or in kind (Oesch, 2002). In addition, the arts and culture organization may also get announcement support and other media visibility, general visibility and publicity, discounts from the company, and work done in companies for the arts and culture organization through the sponsorship (Oesch, 2002). Sponsoring can enable economic flexibility, broadening of programs, improvement of artistic level, and marketing actions in the arts and culture organizations. All these actions can then lead to more publicity, more visibility, more audiences and ticket sales (Oesch, 2002).

Some authors have also discussed about challenges especially related to arts and culture sponsorships (Oesch, 2002; Heiskanen et al., 2005; Olkkonen & Tuominen, 2006). In general, sponsoring has been seen as a problematic issue especially in Nordic welfare countries: people have been afraid of business sector having too much influence on the content and production of arts and culture. However, nowadays many understand the possibilities of sponsoring and believe in the equal cooperation between the business sector and arts and culture field (Heiskanen et al., 2005). Other challenges include lack of skills and experience in arts and culture sponsorships in many companies, getting enough and extensive information about different forms of arts and culture in companies, result-oriented exploitation of arts and culture sponsorships, creating and finding relevant counter-value for companies, having enough skills for productization in arts and culture organizations, and finding the right companies to cooperate with and getting the contact with them (Oesch, 2002; Olkkonen & Tuominen, 2006). Another challenge may be that to be able to manage the

relationships in arts and culture sponsorships, the actors need to take the possible 'relationship fading', and the reasons for it, into account (Olkkonen & Tuominen, 2006). To avoid relationship fading, both sponsorship parties must put enough resources to planning the cooperation, forms of exchange, and operational procedures and routines in the sponsorship. Using culture-oriented marketing professionals as relationship promoters between the business and arts and culture actors in the organizations also helps in managing the sponsorships (Olkkonen & Tuominen, 2006). On the other hand, many organizations lack of the needed resources for effective and constant maintaining of these relationships, for developing partnerships and for finding new sponsors (Oesch, 2002). Therefore, how to find enough time and resources for that if the funds for the art organization are already very scarce, is certainly a challenge.

Continuing more closely to partnerships, that is often the term what is used nowadays instead of sponsorship. In common language these terms are used interchangeably and to almost mean the same thing, and many scholars do not seem to make any difference between sponsorships and partnerships. However, as said earlier, Seitanidi & Ryan (2007) see partnerships as the most symmetrical and strategic form of corporate community involvement (CCI) with a (nonprofit) organization. Therefore, partnership can be thought as one form of company cooperation. The term partnership is often associated with shared objectives and notions of solidarity and working together (Seitanidi & Ryan, 2007). Partnerships are described to be mutually beneficial, collaborative, having high investment and commitment, having closeness, trust and two-way dialogue, involving social and economic exchange and aiming at longevity (Seitanidi & Ryan, 2007). Related to sponsorships and partnerships especially in the arts and culture field are social partnerships, which aim at addressing social issues affecting all the interested parties and which include transfer of both monetary and non-monetary resources (Seitanidi & Ryan, 2007).

The aspect of symmetry is especially important when talking about partnerships. This is also the key to distinguishing partnerships from sponsorships. While sponsorships may still have a strong focus on the sponsoring company and its compensations, and the company playing the role of the client in the relationship with the nonprofit organization, which then leads to lack of symmetry during the implementation, partnerships aim at a truly symmetrical and transactional relationship, having a power balance between the company and the (nonprofit) organization (Seitanidi & Ryan, 2007). Achieving symmetry and equality in the partnership

requires that also the nonprofit organization invests enough to the relationship, and not only the company (Seitanidi & Ryan, 2007).

However, it is important to notice that as the term ‘partnership’ is very general and commonly used, it may be that even though people call certain relationships between a company and a (nonprofit) organization as ‘partnerships’, they might be just traditional transactional relationships and not ‘true partnerships’ at an integrative stage and in the form as described above (Seitanidi & Ryan, 2007). The talk of partnerships being just certain use of language therefore causes a gap between rhetoric and reality (Seitanidi & Ryan, 2007), and thus may cause confusion as well. This might be the case also in my research as people use different terms.

When thinking about arts and culture field in the context of partnerships, according to Heiskanen et al. (2005), direct, more traditional sponsoring in Finland has decreased and instead partnerships have increased. This is in line with Seitanidi & Ryan’s (2007) notion of corporate community involvement having become more strategic and integrative during the 21st century. Indeed, the increased company cooperation indicates that the relationships between arts and culture organizations and companies have become more commonplace business partnerships also in Finland (Heiskanen et al., 2005).

All in all, the returns from company cooperation including sponsorships and partnerships - and more broadly the returns from overall corporate fundraising - can be large, but this requires sophisticated and careful planning in the fundraising organization for how to approach the potential corporate supporters (Sargeant & Shang, 2010). The fundraising organizations need to adopt business-like structures and methods in how to manage and support the relationships built and how to ensure the quality of service. They need to realize that as companies usually have a strategic perspective to philanthropy and sponsorships, the companies also have their own selection criteria for (nonprofit) organization partners, and the organizations must have a strategic fit with the companies (Simon, 1995 in Sargeant & Shang, 2010). Thus, thinking from the company’s perspective is very important for the fundraisers.

A general challenge related to corporate fundraising and cross-sector activities in the context of nonprofit organizations can be that the commercial nature of the collaboration between the company and nonprofit organization might decrease trust in the nonprofit mission (Burlingame, 2010). Another challenge can be that the company’s links to the nonprofit

organization may be based on a special event activity and not in the mission of the company. Furthermore, there can be concerns whether the nonprofit organization can adjust to the business life and culture and be an equal partner with the company. Also, the partner company may demand more publicity for the relationship than the nonprofit organization would like to offer. Too much publicity of the relationship could seem the nonprofit's "selling out" (Burlingame, 2010, p. 148). The fundraising organizations should bare these possible issues in mind when building partnerships with companies. It is also important to remember to measure the impacts of the partnerships.

2.2 Arts and Culture Field

The context for my study is arts and culture field: I examine how arts and culture organizations do private fundraising in Finland, and what challenges and development points there are related to that. Private fundraising in arts and culture organizations is closely related to the larger topic of how arts and culture can be and are financed. In this chapter, I will give a brief overview of how arts and culture can be financed generally and how they are financed in Finland to set the context for my study.

The concept of 'culture' is wide and contains many fields in it: the fields of arts and culture, museums and cultural heritage, and creative economy (Finnish Ministry of Education and Culture, 2018b). More in detail, arts and culture field includes audiovisual culture, performing arts, literature, design and architecture, music and visual arts (Ministry of Education and Culture, 2018b).

There is an abundance of cultural institutions in Finland (Ministry of Education and Culture, 2018b), and the field of arts and culture is lively. Cultural offerings are broad and the citizens participate actively in cultural services. For example, there is a library in every municipality, and a museum in most of them. Furthermore, the biggest municipalities have a theatre and a city orchestra. The arts and culture field acts and operates in different forms. The field consists of individual artists working as freelancers, artist groups, associations, companies, institutions and other larger organizations. In my thesis, the focus is on more established arts and culture organizations. The organizations are public or private organizations, aiming at non-profit or for-profit, but mostly non-profit.

2.2.1 Financing of Arts and Culture

Generally, the financing of arts and culture consists of public funding, private funding and fundraising, and earned income (ticket sales, other sales, other commercial operations).

Klamer et al. (2006) list three main financing modes with their common features (p. 2):

Government financing: To be qualified to government support, arts and culture organizations need to show that their activities and operations meet qualitative and quantitative standards set by government actors.

Market financing: Arts and culture organizations and artists can sell their work to the market. Also, the organization can do sponsored deals with companies.

Third sphere (in other words, nonprofit sector) financing: Arts and culture organizations can receive donations from individuals and private institutions. This mode of financing has traditionally been used in the Anglo-Saxon countries but is on the rise in Europe as well.

As said in the Introduction, in Europe, the financing of arts and culture has been leaning on public funding systems (Klamer et al., 2006). However, during 2000s, the need for additional funds and the drive for autonomy in the decision-making processes have made many arts and culture fields in the EU countries to look for also other funds than government support, which means funds from the private sector (Klamer et al., 2006). Finland is similar to many other European countries. The public funding of arts and culture organizations has been strong for decades in Finland, but during recent years, more efforts to private financing has been put in, in addition to earned income.

The government support to arts and culture can be divided into public direct support and public indirect support (Klamer et al., 2006). Direct support contains subsidies, awards, grants and lottery funds. Indirect support consists of tax reductions, tax exemptions or lower tax rates granted to cultural institutions or to their supporters. Fiscal relief can be given to all kinds of forms of private support to culture, such as cash donations, sponsorships in kind, services or equipment (Klamer et al., 2006). With tax policies, such as a lower VAT rate, governments can also encourage increased consumption of arts and culture products and services.

Regarding public funding in Finland, the Finnish state and municipalities provide the public funding for arts and culture (Ministry of Education and Culture, 2017). In many Finnish arts

and culture organizations, and especially in the national culture institutions, the percentage of public funds of the total income is substantial. In the state budget proposition for the year 2018, 457 million EUR was allocated to arts and culture through the Ministry of Education (Finnish Government, 2017). As a comparison, around 463 million EUR was allocated to arts and culture from the state budget in 2017, and around 459 million EUR in 2016 (Statistics Finland, 2018a). In 2017, the state share for arts and culture was 0.84 % of the total state expenditure, and 6.9 % of Ministry of Education and Culture expenditure (Statistics Finland, 2018b). There are different kinds of government grants for arts and culture organizations: state subsidy system (*valtionosuusjärjestelmä*), government transfers, and state grants for individual artists such as grants awarded by arts councils and copyright royalties (The Ministry of Education and Culture, 2018a). The state subsidy system and government transfers aim at covering arts and culture institutions' operating and in some cases property costs (The Ministry of Education and Culture, 2018a). Around 80 % of the transfers and grants consist of slot machinery (*Veikkaus*) proceeds (Ministry of Education and Culture, 2018a).

In addition to the state, Finnish municipalities allocate funds for arts and culture. Also European Union funding and grant programmes are part of the public funding system in Finland. In addition to direct public support, there is also some indirect public support in Finland: tax incentives related to donations to arts and culture, and 'state matched funding scheme' in the situations of private fundraising campaigns of arts and culture organizations (Heiskanen et al., 2005; The Finnish Cultural Foundation, 2015). Other public indirect support methods used in Finland are the earlier mentioned exempt from taxes in the artist grants, and the decreased value-added-tax (VAT) of culture services (Finnish Cultural Foundation, 2015).

Moving on to private funding, private funds allocated to arts and culture field can be in different forms: donations, patronage, maecenatism, voluntary work and sponsorships, for example (Klamer et al., 2006). Private companies can also invest in construction of cultural institutions. Private funding for arts and culture comes overall from private foundations, companies, associations and other nonprofit organizations, and individuals. When looking at the private sector in Finland, especially private foundations have traditionally had and currently have the main role in financially supporting arts and culture, in addition to the

public support (Statistics Finland, 2018c, p. 3). Foundations representing arts and culture get funds from the state, municipalities, companies and individuals, making some of them not entirely private. Mostly private investment foundations finance their operations by own capital and the returns of it (Statistics Finland, 2018c, p. 4). The private foundations with the biggest support funds to arts and culture are Svenska kulturfonden, The Finnish Cultural Foundation (Suomen Kulttuurirahasto), Jenny and Antti Wihuri Foundation, Föreningen Konstsamfundet, The Alfred Kordelin General Progress and Education Fund, and Kone Foundation. They give funds in the form of grants and scholarships, and the decisions are usually made based on grant applications. Continuing, as discussed earlier, the business sector support forms include company cooperation, donations and art purchases (Heiskanen et al., 2005; Oesch, 2008). Finnish companies' support to arts and culture, in the form of for example company cooperation including sponsorships and partnerships, has grown significantly between the years 2008 and 2018 (Oesch, 2008; Sponsor barometer, 2017-2018). Furthermore, individuals also support arts and culture field in Finland, of course primarily through the market by buying tickets, art pieces and other commercial products of arts and culture organizations, but also by donating money to arts and culture organizations or to private foundations, funds and endowments, which then direct funds to arts and culture organizations, as mentioned earlier. Nowadays, also another form to donate money (usually in exchange for a reward) is the earlier mentioned crowdfunding.

2.3 Organizational Translation Theory to Understand that Context Matters

In this chapter I will go briefly through organizational translation literature. Organizational translation theories are related to the theorizing of organizational change. The stream of organizational translation literature helps to better understand the phenomenon of fundraising in the Finnish context. Being a relatively new phenomenon in Finland, the increasing private fundraising in arts and culture field means a broad and significant change both in the model of financing arts and culture in Finland but also in the way of thinking in Finland of how to finance arts and culture. As fundraising models mostly come from the US and the UK, and Finnish organizations learn from these countries, organizational translation literature helps to understand the process of establishing fundraising models and practices in the Finnish context. It is clear, that as the contexts here - the Finnish and the US/UK contexts - are so

different from each other, the fundraising models working in the US cannot fully work in Finland. Therefore, it can be seen that ideas, models and practices are somehow translated and transformed when they travel from a certain context to another. This is the case also with fundraising in Finland. So, in this chapter, I describe the general aspects of translation theory. In the discussion chapter of the thesis, I will discuss fundraising in the context of Finnish societal and legal environment and structures with the help of organizational translation literature.

The concept of translation and translation theory has been a popular tool in management and organizational research in understanding “how change is effected through temporal and spatial movement” (O’Mahoney, 2016, p. 333). The concept of translation is according to O’Mahoney (2016, p. 333) described in many ways in the literature: it is referred to translating strategy into practice, building a link that didn’t exist before and it is also used to describe the process in which people convince others to join their cause. So, the concept is used in various situations and it is used to refer to many issues. In the core of translation literature are studies of idea travelling and circulation (Czarniawska & Joerges, 1996), how management ideas and practices are translated into certain contexts (see for example Czarniawska and Sevón 1996, Wæraas & Sataøen, 2013; Morris & Lancaster, 2006), and how organizational change is translated (Czarniawska & Joerges 1996). All in all, translation can be thought of a process where a certain idea is transferred and reinterpreted in a new setting (Czarniawska & Sevón, 1996).

For my thesis, the most relevant issue is the translation of management ideas. Ideas that are in the form of models and practices can be adapted and modified but they can also take new forms and meanings when they travel from context to another (Sahlin & Wedlin, 2008). Idea translation is seen “as a process wherein new practices or fashions become institutionalized in different fields at different points of time and space.” (Morris & Lancaster, 2006, p. 209). So, ‘translations’ can be thought of as different types of modifications that an idea or practice undergoes in the implementation to a new organizational context (Wæraas & Sataøen, 2013; Boxenbaum & Pedersen, 2009). Sahlin & Wedlin (2008) add that the idea or practice as such is not being transferred to one context to another, but rather accounts and materializations of a specific idea or practice. These accounts undergo translation, and after that result in local versions of the ideas, practices and models. Czarniawska & Sevón (1996) claim that translation and transformation of management ideas happen because the ideas meet obstacles

when they are travelling to the new context: they are considered as being inappropriate for that particular context. That is why the ideas need translation; to become suitable for the context, to become localized.

One reason behind idea circulation in general is the desire to imitate success models (Sahlin-Andersson, 1996). Also, selecting and translating a certain idea can have many reasons behind it but one example is that the idea is supposed to bring a solution to a specific problem that managers have identified. Also, Czarniawska & Joerges (1996) claim that the new idea that has arrived to an organization is tried to be linked together with a present problem in that organization. The process is tried to be portrayed as functional: a certain idea was adopted because it addresses a certain problem or creates new opportunities for the organization (Czarniawska & Joerges, 1996).

So, the translation literature helps us to understand, that context matters, and that the general fundraising models and principles, which have been mostly produced in the US context, go through a translation process when they are applied to the Finnish context. Fundraising in arts and culture field can be thought as an American and Anglo-Saxon management idea, which is then translated to a different context, in this case, to the Finnish context.

There are different theoretical perspectives within translation theory. O'Mahoney (2016 p. 333) presents four perspectives to translation theory: diffusion, actor-network theory, Scandinavian institutionalism or Scandinavian translation theory and organizational boundaries. These four perspectives indicate four different theoretical archetypes, such as scientism, actualism, social constructivism and symbolic interactionism. However, O'Mahoney (2016) suggests that critical realism is the most suitable theoretical perspective to look into translation theory. Wæraas & Nielsen (2016) present only three different approaches: in addition to actor-network theory and Scandinavian Institutionalism they label the third one as knowledge-based theory. From the many different but still somewhat similar approaches and perspectives to translation theory we can conclude that the translation theory literature is still to date quite fragmented and scattered, as Wæraas & Nielsen (2016) conclude so, too.

The above-mentioned four perspectives in translation theory also see the concept of translation in slightly different ways (O'Mahoney, 2016): Diffusion perspective sees translation as spread and evolution of entities, such as innovations, in time and space. On the other hand, actor-network theory sees translation as "modification of actors' interests or

representations, or passing of ‘tokens’ through a network” (O’Mahoney, 2016, p. 337). The actor-network theory emphasizes the concept of interestment in translation (O’Mahoney, 2016). Interestment means using rhetoric, persuasion and argument to form actor groups that will enable successful implementation of innovations (O’Mahoney, 2016). Continuing, Scandinavian institutionalism describes translation as “the local re-embedding and (re)construction of management knowledge” (O’Mahoney, 2016, p. 339). Lastly, organizational boundaries perspective sees translation as “construction of meanings between groups through boundary-spanning/boundary-objects” (O’Mahoney, 2016, p. 339).

Although O’Mahoney (2016) presents diffusion perspective as a part of translation theory, many scholars separate the concept of diffusion from translation more strongly. As Sahlin & Wedlin (2008) claim, “ideas do not diffuse in a vacuum but are actively transferred and translated in a context of other ideas, actors, traditions and institutions” (p. 219). Also, Czarniawska & Sevón (1996) claim that diffusion refers to a physical process, which then evokes too many physical metaphors that are not useful when examining the travelling of ideas. On the other hand, the concept of translation evokes associations to movement and transformations and is therefore much more suitable concept to talk about. Using the concept of translation instead of diffusion makes us to pay attention to the energy needed for idea travelling and for the translation process: it is the people who energize an idea when they translate it for their own or someone else’s purposes (Czarniawska & Joerges, 1996). So, translation is always somehow active doing, not just ‘spreading’. New ideas and ways of thinking do not just diffuse from a country to another, but they undergo a translation process.

Scandinavian institutionalism – discussed first by Czarniawska & Joerges (1996) - could be a suitable way for examining the models and practices of fundraising in the Finnish context because of its focus on the local. Scandinavian institutionalism is interested in local variants of the management ideas and context-specific translations processes (Wæraas & Sataøen, 2013), and emphasizes the translation effects of local discourses and micro-politics (O’Mahoney, 2016). In this theoretical perspective, translation is seen as dependent on the politics and rhetorics of legitimation that actors exercise or put to use in organizations (O’Mahoney, 2016). Although Scandinavian institutionalism/translation theory has many good notions about translation and its process, it has been criticised for its strong focus on the local and discursive. This focus can miss the non-local and structural framing of innovations that may help in explaining its success or failure (Fleetwood, 2005 in O’Mahoney, 2016, p.

340). Also, the strong social constructivism thinking underlying in Scandinavian institutionalism does not much support the conceptualization of the ideas and findings (O'Mahoney, 2016). Other weaknesses of this theoretical perspective are too much focus on the local level which can result in missing the wider macro level view, difficulties in conceptualizing resistance (for example resistance among an organization's employees) and ignoring the material and structural aspects of ideas because of too much focus on the discourse (O'Mahoney, 2016). Also, Wæraas & Sataøen (2013) point out that Scandinavian institutionalism/translation theory assumes that organizational translation processes always lead to the emergence of new local versions of that certain management idea or practice. They instead claim that there are regularities in organizational translations.

O'Mahoney (2016) argues that Critical Realism view (CR) would bring some missing questions and aspects to all the theoretical perspectives and archetypes of translation mentioned earlier. To take a more holistic view on the Scandinavian institutionalism and its underlying theory social constructivism, O'Mahoney (2016) suggests the following questions to be examined and even answered when studying translation processes. Related to stratification (transitive/intransitive) the questions are: "What are the non-discursive factors that are important in the case? What contextual factors allow discourses to act the way they do? What wider social and structural factors that contribute to translation?" (O'Mahoney, 2016, p. 345). Then, related to 'Complex view of the human', the questions are: "What role does the human play in translation? What powers does this role entail and on what are these dependent? How do workers resist the translation activities of managers?" (O'Mahoney, 2016, p. 345). Then lastly, additive questions related to 'emergence, entities and properties' are: "Is the thing being translated entirely discursive? Does it have any (e.g. material, structural or psychological) pre-conditions or dependencies?" (O'Mahoney, 2016, p. 345).

Then, Wæraas & Sataøen (2013) have studied translation rules in adapting management ideas into certain context based on Røvik's (2007) translation rules. These rules include for example alteration, addition, copying and omission or subtraction (Wæraas & Sataøen, 2013). Wæraas & Sataøen (2013) claim that in organizational translations, some common patterns in translation can be found in specific organizational contexts, even though the Scandinavian institutionalism suggests that each translation is unique. *Copying* is the most basic form of translation, 'literal translation'. However, it can be argued that copying is not translation as there is no intention to transform or change anything. But still it is the starting point for

examining translation (Wæraas & Sataøen, 2013). *Addition* means making the idea more clear and concrete by adding information and elements to the idea or model to make it better fit to the structure or culture of an organization (Wæraas & Sataøen, 2013). Then, *omission/subtraction* is opposite to addition and it means leaving some components or elements out of an idea. *Alteration* instead refers to the freedom in modifying the idea (Wæraas & Sataøen, 2013). This can be radical translation as the idea can be fully transformed to seem as a local innovation. Alteration can also lead to a translation process where a combination of ideas is produced. Related to the translation process and rules, Sahlin & Wedlin (2008) discuss about imitation and editing. Imitation is not just copying, but also changing and innovating. The concept of editing has a focus on the dynamics of circulating ideas. Sahlin & Wedlin (2008) point out that translation can be thought and analyzed as an editing process. They claim that the editing process can even change the meaning and content of the models being translated.

Examining the translation rules is most applicable in cases where there is a clear donor context and a target context to where the idea is translated (Wæraas & Sataøen, 2013). In these kinds of translation processes, decontextualization and contextualization of the idea happens. However, it is important to notice that not always have the ideas a clear donor context from where the idea is translated (Wæraas & Sataøen, 2013). When thinking about fundraising and its practices, most of them come from the US context, but also from the UK. But in general, one can say that these practices and models have been developed in the Anglo-Saxon culture, so there is a clear donor context for the management idea (fundraising).

Continuing with the use of translation rules, the degree of transformability of a specific practice affects the way it is being translated (Røvik, 2007 in Wæraas & Sataøen, 2013). For example, if a practice or idea has explicit and more technical components, the practice is less transformable and therefore likely to be copied. On the other hand, if a practice or idea is less explicit including many process, people and complex knowledge, alteration is more likely than copying.

Instead of translation rules, Morris & Lancaster (2006) discuss about editing rules in the translation process and how they are operationalized. According to them, editing rules are based around contextualizing an idea, relabelling the idea and providing a plot to explain why the idea can bring success. However, it is important to notice that these rules can usually overlap and happen at the same time in real life in organizations.

Legitimacy in relation to translation

As mentioned earlier, translation concept helps to understand “how change is effected through temporal and spatial movement”. (O’Mahoney, 2016, p. 333). Also, according to Morris & Lancaster (2006, p. 208), “Translation combines elements of idealistic discourse justifying change with strategies that contextualize and legitimize new workplace activities and forms of work organization”. So, related to translation and change is the concept of legitimacy, a term used widely in organizational studies. Suchman (1995) gives a good overview of the concept of legitimacy and how it is gained, maintained and repaired. Legitimacy is often divided into two groups: strategic and institutional. Suchman (1995, p. 574) defines legitimacy as: “generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions.” (Suchman, 1995, p. 574)

In its core, legitimacy is about organizations justifying their activities and right to exist. Organizations are legitimate when they are understandable (Suchman, 1995). Legitimacy helps to understand my research topic about fundraising in arts and culture field in Finland. As Finnish arts and culture organizations have just recently started to focus on active fundraising and do it more strategically, one can argue that they need to legitimize their fundraising operations in the Finnish society and among various audiences and both internally and externally, in order to justify their case for support - to convince people and society that they deserve the private funds. So, organizations seek legitimacy to pursue continuity or credibility, and passive or active support (Suchman, 1995). Legitimacy affects how people act towards organizations and how people understand them (Suchman, 1995). Legitimate organizations are often perceived as more trustworthy, meaningful, worthy and predictable. On the other hand, “organizations that lack acceptable legitimated accounts of their activities are more vulnerable to claims that they are negligent, irrational or unnecessary” (Suchman, 1995, p. 575). These notions show that seeking legitimacy and doing legitimacy management is important in justifying the actions and making people believe in what the organization does.

How to then gain legitimacy? Gaining legitimacy or legitimacy building often happens upon embarking a new line of activity (Suchman, 1995). Therefore it is relevant to my research topic. All the strategies for gaining legitimacy include persuasive organizational communication and organizational change (Suchman, 1995). The strategies are conforming to

the environment, selecting among environments, which grant legitimacy to the organization, and manipulating environments (Suchman, 1995). Selecting among environments is a more proactive strategy than conforming. Manipulating environments is a strategy especially for innovator organizations, whose practices differ from the prior practices. An example of this kind of organization could be a Finnish arts and culture organization setting up a major private fundraising campaign for the first time in Finland in the arts and culture field. Organizations trying to manipulate the environment must intervene in the cultural environment to try to develop support for their distinctive needs (Suchman, 1995). So, they need to do proactive cultural manipulation, which is not an easy task and not that controllable. In addition to these strategies for gaining legitimacy, efforts to sector building is important when new operations or activities are less institutionalized or technically problematic. Finally, it is important to remember that no organization can fully satisfy all audiences (Suchman, 1995). Therefore one could argue that no organization can have complete legitimacy among all the audiences.

2.4 Summary of the theoretical framework

In the above chapters I have discussed fundraising literature, company cooperation literature including corporate community involvement, sponsorships and partnerships, and organizational translation theories. These literature and theories form the theoretical framework for my study, which is to examine how fundraising in its main forms – donations and grants from individuals, companies and foundations and compensative company cooperation including sponsorships and partnerships – is done in Finnish arts and culture organizations, and what challenges and development points there are related to that. In addition to the mentioned literature, I also discussed arts and culture field and how it is financed in general, to contextualize my study.

The fundraising theories and practices draw from different fields, such as marketing and more closely relationship marketing, management, sociology and communications, for example. In general fundraising means all the activities that organizations are doing to seek support from individuals, foundations and companies in different forms (Lee & Shon, 2018). Fundraising is usually an essential part of non-profit management and it is not a separate activity but must be part of the organization's management system (Rosso, 2010).

Therefore, fundraising must be in line with the organization's mission and objectives (Rosso, 2010), so the fundraising process starts with thinking of the organizational mission and objectives, and then careful planning. First, the organization needs to do enough research of the prospective supporters and the environment where fundraising is done (Lindahl, 2010). Understanding the donor motivations is also crucial (see for example Johnson & Ellis, 2011). Then, a plan for fundraising must be made and it must be based on the organizational strategy (Lindahl, 2010). For example, a SWOT analysis is a good tool here. Planning also includes developing the case for support for the organization, stating to donors why their support is needed and why now (Sargeant & Shang, 2010). The organization also needs to decide the fundraising methods and types of gifts and fundraising programs. The fundraising cycle (Seiler, 2010) and donor pyramid of fundraising strategies (Seiler, 2010) help to find the right methods and types of gifts.

Before any solicitation of gifts, first the organization needs to do cultivation, which means getting to know the prospective supporters and starting to form relationships with them (Lindahl, 2010). Indeed, in the core of fundraising is building strong and long-lasting relationships with the donors, supporters and corporate partners and maintaining them (see for example Sargeant & Shang, 2010). This requires enough time. Only after this can the organization do the solicitation. Finally stewardship and evaluation is needed in the organization, the first meaning to show supporters that the funds are taking care of responsibly and the latter meaning the assessment of the overall success of the fundraising operations (Lindahl, 2010).

Then, in addition to individuals or entities giving donations and grants, corporations can be very important business-based supporters and partners to arts organizations, so therefore I have discussed company cooperation between companies and arts organizations, including sponsorships and partnerships, as I will examine also those in my study. Donations, grants and company cooperation are all included in the forms of fundraising, but an important difference between philanthropic donations and company cooperation is that company cooperation – sponsorships and partnerships – is based in business and there are always concrete compensations involved for the companies, such as sales, marketing, image improvements, visibility or corporate social responsibility benefits. However, it should be remembered that companies may also give philanthropic donations. In general, sponsorships can be called as mutually beneficial and two-way business relationships between the sponsor

and sponsee (see for example O'Hagan & Harvey, 2000; Olkkonen & Tuominen, 2006). However as I have explained earlier, theoretically it can be thought that sponsorships and partnerships slightly differ from each other, thus the usage of the two terms. Sponsorships can be thought as more transactional commercial relationships and partnerships aim at more symmetrical relations, and they are more integrative and strategic (Seitanidi & Ryan, 2007). However, in common language these are used interchangeably and for example many scholars use sponsorships to refer to all kinds of business and commercial relationships.

The context forms an important part for my research. As the context for my study, including societal structures and culture, differs from the US and UK context which is often the context for the fundraising literature, I have discussed the organizational translation theory. I will use this theory in my research to understand the meaning of the context and how it affects to the fundraising of arts and culture organizations in Finland. The organizational translation theories are suitable for my research as it explains that when a management idea travels from a context to another, it is somehow translated, transformed and modified, either intentionally or unintentionally (Lamb et al., 2016). The translation theory claims that management ideas and practices do not just diffuse, but they are transformed and translated while they are being adopted and implemented in the new context, and that the models can also take new forms and meanings (Sahlin & Wedlin, 2008). Translation means therefore a process where a certain idea is transferred and reinterpreted in a new setting (Czarniawska & Sevón, 1996). I am thus supporting this view in my research. The translation theories suggest that context matters and as not all parts of the management idea – fundraising - can work in the different context, so then some parts of it are translated and modified in the adoption process, and some parts even reduced from the model.

According to the translation theory I am suggesting that the Finnish context create certain features to fundraising and issues that need to be taken into account, and that Finnish arts organizations are transforming and modifying the US-based fundraising operations and processes to be more suitable in the Finnish context and environment when they are planning, starting and doing fundraising operations in their organizations. Therefore, the fundraising process is being translated – and localized - to the Finnish context alongside as the arts organization is doing its fundraising operations. This translation of the fundraising practices is especially done by the arts and culture managers and professionals responsible for the

fundraising operations in the arts organizations but also more broader the other employees involved in fundraising in the organizations are part of doing the translation.

3 METHODOLOGY

3.1 Research Design and Research Approach

As I stated in the introduction part in chapter 1, my research questions for my study are:

How do Finnish arts and culture organizations do private fundraising? What challenges and development points are there?

My study aims at understanding a relatively new phenomenon in Finland by examining how it is currently done, and what challenges and development points there are around the phenomenon, which is, the fundraising in the arts and culture field in Finland. The topic is important to study because there are practically no studies about fundraising especially in arts and culture field in the Finnish context from the broad perspective where all the forms of doing private sector fundraising are taken into account (for fundraising related studies see for example Repo, 2016; Lehmuskumpu, 2013; Vottonen, 2012; Lassila, 2010, and Heikkilä, 2010). Furthermore, as I said, fundraising is a relatively new phenomenon in Finland and arts and culture organizations have just recently started to do it more strategically and professionally. The Finnish arts and culture organizations are following the steps of Finnish universities, which started to do private fundraising around ten years ago (Heikkilä, 2010). Also, fundraising and sponsoring literature are mostly US- and UK-based so it is important and interesting to look into this topic in the Finnish context, which differs a lot from the US and UK countries.

My study is explorative in nature, which means that my aim is to understand and get different point of views about private fundraising and its challenges and future insights in arts and culture field Finland. My aim is therefore not to develop any specific model or general assumption of how to do fundraising in arts and culture field in Finland. I am not suggesting that there would be one general model of fundraising that would be suitable for all the arts and culture organizations in Finland.

In my thesis, I am taking a qualitative approach to the research topic. Qualitative research approach fits well to the aims at getting holistic understanding of the research topic (Eriksson & Kovalainen, 2008). In addition, qualitative research is especially relevant when “prior

insights about a phenomenon under scrutiny are modest” (Eriksson & Kovalainen, 2008, p. 4), as my research topic is in the Finnish context. Indeed, qualitative research allows the researcher to focus on the complexity of the phenomenon in its context. As my research topic is highly contextual, qualitative research approach is especially relevant for me.

The onto-epistemological position for my study is critical realism. It is a philosophical position, which combines features from positivism and constructionism. Indeed, critical realism does not claim that positivism and social constructionism have to be mutually exclusive (Eriksson & Kovalainen, 2008). As I am more interested in issues, facts, meanings and the phenomenon itself than language, discourses or how people talk about the phenomenon, critical realism is a suitable philosophical position in my research. Critical realism as a research position is especially interested in identifying the structures of the world and causalities (Eriksson & Kovalainen, 2008). In my research, I am interested in how private fundraising operations are structured and done in the art organizations, and how the structures of the Finnish society affect to private fundraising in arts and culture field, and what challenges and development points arise from the structures to fundraising.

Critical realism acknowledges that there is an observable world independent of human consciousness, but that the knowledge of the world is socially constructed (Eriksson & Kovalainen, 2008). Knowledge of the world being socially constructed means that different people give different meanings and explanations to certain issues, for example. People’s cultural community, perspectives, position and histories affect their explanations and their construction and understanding of knowledge (Al-Amoudi & Willmott, 2011). Also Johnson & Duberley (2000) suggest that critical realism can be used in studying management and organizations. They continue that truth is more than just a language game but on the other hand, it cannot be absolute (Johnson & Duberley, 2000). Even though there is a world independent of human consciousness, our access to the world and knowledge of it is always somehow mediated, with available conceptual resources, through which we make sense of and understand the world and its entities (Al-Amoudi & Willmott, 2011).

When asking ‘how private fundraising is done’ I am not assuming that there is one ready answer to explain how is it done and how it should be done, and what challenges and future possibilities there are. I am assuming that there are many explanations by different people. Therefore, part of my research is socially constructed, as the interviews are constructed in

cooperation with the interviewer and interviewee, and because the interviewees may bring different interpretations and explanations of the same issues.

3.2 Research Method

My overall research method is qualitative interview study. Qualitative interviewing is nowadays a key method in human and social sciences (Brinkmann, 2013). We live in an interview society (Silverman, 2001), which has its positive sides and possible pitfalls when doing qualitative research. Because interviews are generally so familiar to us, we often take them as granted (Eriksson & Kovalainen, 2008). However, it is very important to consider the interview as a research method and design them carefully when doing qualitative research. Interview is always a knowledge-producing social practice in itself (Brinkmann, 2013).

I chose this method, as I wanted to research my topic - private fundraising of arts and culture organizations in Finland - from a general and broad perspective, not too much focusing specifically on certain organizations. So, choosing this method does not make my research dependent on individual organizations but allows me to examine the topic more widely from various perspectives.

Furthermore, qualitative interview study as a research method allows me to examine people's experiences, actions, society and culture in-depth (Brinkmann, 2013). As my research questions is how Finnish arts and culture organizations do private fundraising, and what challenges and development points there are in Finland, I am interested in the actions of the people in the organizations related to fundraising, and their experiences and views on the challenges and possibilities of fundraising – the 'facts' related to private fundraising. According to Brinkmann (2013), interviews are especially suitable to study individual lived experiences. Furthermore, I am also interested in the societal level related to fundraising, to examine the challenges and possibilities in Finland. Interviews as a method allows me to this as well – interviews are relevant for studying society and culture as these are constructed also in conversational processes. However, when studying society and culture, it is important to use also other data sources, such as documents. Therefore, I will also use some secondary data to complement the interviews. I will discuss more about this in the Data Collection chapter.

3.4 Data Collection

The aim of my study is to provide general information of how Finnish arts and culture organizations do private fundraising, with a broad view to fundraising and its forms. I also aim to provide insights of the challenges and future possibilities of fundraising in Finland in arts and culture field. As mentioned in the Research Method section, the best way to get answers and insights to my research questions, was to conduct interviews. Interviews are also suitable for unexplored topics, and the interviewees can freely bring out matters close and important to them (Hirsjärvi & Hurme, 2001). Interviews are also a practical and an efficient way of collecting information, which I cannot find in published documents (Eriksson & Kovalainen, 2008).

To get answers to my research questions, I chose to interview professionals in Finnish arts and culture field, who have experience of fundraising and are somehow linked to fundraising and its activities in arts and culture organizations. To get the big picture, without losing the touch of operative work, it was important to interview professionals in arts and culture organizations both on executive and operative level. However, as the administration of arts and culture organizations are usually relatively small, many of the interviewees have experience in both executive and operative level of work related to fundraising and partnerships.

Furthermore, as I was studying a relatively recent phenomenon in Finland, and also the challenges and future possibilities of fundraising, I wanted to examine the phenomenon on a holistic level by including different point of views to the issue. To get a broader and diverse perspective to the topic, I also interviewed an individual donor and a private foundation professional. Without understanding the donor perspective, fundraising would be an empty activity. The criterion for choosing these interviewees was that they had donated to and monetarily supported arts and culture field in Finland. Lastly, in addition to arts professionals and donors, I interviewed one economic expert to get better understanding of the challenges and future possibilities of private fundraising in arts and culture field in Finland on a more economical and societal level. In total, I interviewed 10 persons. Nine out of ten interviewees agreed to present their names in this thesis. In the Findings & Analysis chapter, when using quotations from the interviews, I will refer to the interviewees with their initials. The interviewees are presented below:

Essi Eerola (EE) is the Research Director at VATT Institute for Economic Research. She is responsible for the scientific supervision of VATT's research and the strategic planning and development of research activities. In her own research she has concentrated on taxation, housing policy and housing markets.

Kai Kartio (KK) is the Museum Director and CEO of Amos Rex. He has the overall responsibility of also fundraising and company cooperation operations, and because company cooperation is a core part of the museum's operations, it is also a core part of Kartio's duties. He has a long history and experience of art museum management.

Heidi Lehmuskumpu (HL) works as Development Manager at the Finnish National Opera and Ballet, in their development (fundraising) team. Her work includes corporate, partnerships, donor and foundation relationships, as well as the Bravo customer club. Her education background is in business, arts management and fundraising. She holds three degrees: M.Sc. (Economics) from Aalto University's School of Business, Master of Music (Arts Management) from University of the Arts Helsinki's Sibelius Academy and M.Sc. (Fundraising and Grantmaking) from New York University. She is also currently conducting her PhD on strategic fundraising at international opera and ballet organizations.

Marja Leskinen (ML) is the Secretary General of Jane and Aatos Erkko Foundation. The foundation supports science, arts and culture, and grants annually around 30 million to these areas, of which around 5 million is directed to arts and culture. Leskinen is responsible for the operative activities of the foundation and prepares and presents the grant applications to the board.

Niki Matheson (NM) was the Administrative Director of Helsinki Week Foundation at the interview time. Helsinki Week Foundation produces arts & cultural events in Helsinki, such as the annual international Helsinki Festival in August. She was responsible for the overall daily operations of the organization, as well as overseeing finances including fundraising and corporate cooperation. Niki Matheson is currently working as CEO of Korjaamo Culture Factory.

Nana Salin (NS) was Liaison Manager at University of the Arts Helsinki at the time of the interview. She was part of the executive board of the university, and responsible for developing and organizing the structures of external funding of the university. She also directed the recent fundraising campaigns of the University of the Arts Helsinki. She holds a

Master of Arts degree, and her background is in customer relations management, partner and stakeholder management and marketing in arts and culture organizations. Currently she is working as Associate Director, Alternative Funding at Aalto University Executive Education.

Jukka Savolainen (JS) is the Managing Director of Design Museum in Helsinki. He has the overall responsibility of fundraising and company cooperation in the organization, but there is another employee who has the daily responsibility of those areas. Previously he was responsible for the exhibitions at the museum and also worked as assistant director.

Jyri Tawast (JT) is a fundraising professional, having many years' experience in partnerships, fundraising campaigns, sponsoring and company cooperation, especially in the field of arts and culture, but also other fields such as sports. He has a strong business background, especially in sales and marketing. He was the Fundraising Director for major fundraising campaigns of National Gallery and Aalto University. Recently he has worked within projects related to culture sponsoring, partnership acquisition and automation of fundraising activities.

Milla Valjus (MV) is the marketing and partnership manager of Flow Festival Oy. She is responsible for the marketing and PR activities of Flow Festival in Finland and in other countries, and she is also responsible for the company cooperation and activities in it: partnership acquisition, conceptualization, negotiations, contracts and execution. Previously she has worked at Helsinki Festival.

Individual donor, N.N. (referred as 'Individual Donor' in Findings & Analysis chapter).

I used semi-structured interviews as my data collection method. Conducting semi-structured interviews means that I prepared an interview guide containing themes, topics and issues to ask about from the interviewees. In semi-structured interviews there can be questions but their sequence and wording may vary (Brewerton & Millward, 2001; Eriksson & Kovalainen, 2008), as I did in my interviews. I also had both 'what' and 'how' questions in my interview guide, as it is good to include both kinds (Eriksson & Kovalainen, 2008).

The advantage of semi-structured interview is that I was able to collect material quite systematically and comprehensive (Eriksson & Kovalainen, 2008), as the interview guide for each interviewee was somewhat similar and contained almost the same questions. However, I had own interview guides for individual donor, private foundation professional and for company. There were still same themes in the guides. The interview situations were quite

informal and even conversational because of the flexibility the semi-structured interview allowed. However, it was important to make sure that all the preset themes and topics were covered in each interview. Another advantage of semi-structured interview is that it allows the interviewees to explain their answers and to offer more in-depth information where necessary (Brewerton & Millward, 2001). One downside of the semi-structured interview method is that it can be difficult to compare the collected empirical materials because the interviewees answer their varying interpretations of the same questions (Eriksson & Kovalainen, 2008). This kind of non-standardized approach to interview each interviewee may also undermine the reliability (Brewerton & Millward, 2001). I also have to be careful with the analysis, as I have interviewed different types of people with different interview guides.

Negotiating and gaining access to the organizations and interviewees was a time-consuming phase and took more time than I had estimated. However, many of the persons who answered, were eventually willing to participate in my research project. Many of them were interested in my research topic and to hear about other organizations' fundraising. When contacting and negotiating with the potential interviewees, I followed the guideline of informed consent (Eriksson & Kovalainen, 2008), which means that I made sure that I told enough information about my research and topic and that the persons I interviewed participated voluntarily in my research. Also, as I said in Sample selection chapter, many of the interviewees agreed to include their name, organization and title in my thesis.

The interview guides were structured before the interviews. Many of the interviewees wanted to see the guide beforehand so I usually sent the guide to them a week before the interview. I structured the interview guides, and themes and questions in those based on fundraising and sponsoring literature I read, secondary data I read from the Internet, and conversations with my mentor, who works in arts and culture field. However, the model of inquiry in my research is inductive, so I did not use any specific theory for structuring my interview questions. I am not trying to test any theory in my research. According to Eriksson & Kovalainen (2008), inductive research theories are results of empirical research.

Mostly open questions were used in the interview guide. Open-ended questions usually result in more detailed answers (Eriksson & Kovalainen, 2008). The questions tried also to be as neutral as possible to not to lead the interviewee to answer what he/she thought the interviewer would hope for. I also tried to make the questions simple enough to make the

interviewees feel comfortable and to make them feel that they are able to answer the questions.

Approximately one-hour slot was reserved and agreed with the interviewees. However, the interviews with the donor side and the economic expert were designed to be a little shorter. Also, the interview durations with the professionals of arts and culture organizations varied as some interviewees had longer answers, some shorter. As a result, the interview durations varied between 30 minutes and 1 hour 20 minutes. Longer interviews would not have been possible as all the interviewees are quite busy with their own work.

I tried to create a friendly and comfortable atmosphere in the interview situations to make the interviewees feel like we have a rather informal conversation and to encourage them to openly bring out matters relevant for them. The interviews were conducted in cafes or in the interviewees' offices. If in a café, I tried to find a peaceful spot there. First, a couple of more general warm-up questions were asked to get the interview going on. It is often good to begin with broad and easy questions (Hirsjärvi & Hurme, 2001). The broadness of the questions gives the interviewee an opportunity to discuss about the topic from a point of view that interests him/her (Hirsjärvi & Hurme, 2001). In most of the interviews, I asked follow-up or clarifying questions from the interviewees to encourage the interviewees elaborate more on a certain question or theme, or to make sure that I had understood what the interviewee meant in the answer. Semi-structured interview method allows this kind of flexibility (Eriksson & Kovalainen, 2008; Hirsjärvi & Hurme, 2001), as I mentioned earlier. Also, I made some small changes and improvements to the interview guide of arts and culture organization professionals after the first interviews based on the comments received or my own observations during the interviews.

The interviews were each recorded with computer with the interviewees' consent. I conducted the interviews in Finnish, as all the interviewees are native Finnish speakers. Using their native language enables the interviewees to express everything they want to say and thus increases the quality of the interviews.

In addition to interviews as primary data, I also collected secondary data to complement the interviews and get a broader picture of the research topic. As secondary data I used relevant websites and online news articles (such as Helsingin Sanomat, YLE, Kauppalehti, Talouselämä). I also read secondary data from the Internet before the interviews, to get

background information related to the interviewee and his/her organization, as this enhances the interview process (Brewerton & Millward, 2001).

3.5 Data Analysis

I used thematic analysis as my data analysis method, based on Braun & Clarke (2012), to analyze the interviews and relevant secondary data. I used and analyzed secondary data mostly for getting understanding of the societal and legislative environment in Finland affecting private fundraising. It was important to try to not become overwhelmed with the amount of data qualitative research produces, but to try to keep the focus.

Thematic analysis is an accessible and flexible method of qualitative data analysis (Braun & Clarke, 2012). Thematic analysis method fits to many philosophical positions of research, so it also suits my critical realist research approach, where my focus is more on the information and content level of the material – what is said, rather than how it is said. Thematic analysis includes systematically identifying and organizing themes across the data, and it can be done through a six-phase approach suggested by Braun & Clarke (2012). By themes, Braun & Clarke (2012) mean patterns of meaning. Hirsjärvi & Hurme (2001) explain thematizing meaning examining those emergent features and matters in the material that are common to many interviewees or that appear in many interviewee's text. However, as Braun & Clarke (2012) point out, not all the commonalities found are necessarily important or relevant. The identified themes need to be relevant for the topic and research questions (Braun & Clarke, 2012).

I started the data analysis process by transcribing all the interview recordings, as soon as possible after each interview. I did word-to-word transcriptions, leaving out irrelevant filler words and repetitions, such as 'so' and 'well' et cetera, because I am focusing on what is being said, not how it is said (Finnish Social Science Data Archive, 2016). As the interviews were done in Finnish, the transcriptions were also made in Finnish and only the quotations in this thesis have been translated into English. I rechecked the transcriptions by listening to the recording one more time while reading the transcriptions, and made corrections if there were any mistakes.

While transcribing the interviews, I already started to familiarize myself with the data, as Braun & Clarke (2012) suggest. I continued the familiarizing by reading my field notes made

during the interviews and by reading the completed transcriptions. At this point, I also took notes. Hirsjärvi & Hurme (2001) also point out how important it is to first familiarize actively with the data, otherwise doing analysis is impossible.

After this, I coded the interview data. I did not use any pre-fixed frame to generate the codes, as my study is inductive in nature. Instead, I developed the codes based on what is in the data, as Braund & Clarke (2012) suggest. Then, I did some recoding and also changed some names of the codes or combined them. I developed both more general topic codes, and content codes already describing the main point of the data extract. Then I continued the analysis in Google Sheets by grouping, categorizing and clustering the relevant and similar codes. I gradually moved from smaller details and categories to more abstract and broader levels – to the themes, while keeping the research questions in mind. I developed both overall themes and sub-themes. I also went back and forth to read the full transcriptions of interviews to keep the big picture in the analysis. After the grouping, categorizing and thematizing I started writing the findings and analysis part but the process was iterative – I developed the categories and themes alongside with the writing. The overall themes that I developed in the analysis and based on which I wrote the findings and analysis chapter are the concepts of fundraising, the background for fundraising in Finland including the legislative and societal context for fundraising in arts and culture field in Finland, how fundraising operations are organized in Finnish arts and culture organizations, the forms of fundraising including the logics of company cooperation, important aspects of fundraising, motives, reasons and objectives for fundraising, challenges related to fundraising in the arts and culture field, and development points and future insights related to fundraising in the arts and culture field in Finland. Some of the themes are somewhat similar to the question themes in the interview guide but however the interview guide in the thematizing process was not used intentionally.

After completing the somewhat final version of the findings and analysis chapter I sent it to most of the interviewees as promised as most of them wished to check the quotations used in the findings chapter. After that, I made some smaller changes to the findings and analysis chapter or to the quotations according on to the comments received. Sending the findings and analysis section to the interviewees is a good way to get an estimate of the analysis's accuracy and this applied to my study as well (Brewerton & Millward, 2001). The possible comments from some of the interviewees can help re-shaping the ideas and re-analyze some parts of the data (Brewerton & Millward, 2001).

3.6 Trustworthiness of the Study

The terms reliability and validity, which are often used to evaluate quantitative research, may not be that useful in qualitative research; therefore the term trustworthiness is more relevant here. It includes four aspects: credibility, transferability, dependability and confirmability (Lincoln & Guba, 1985 in Eriksson & Kovalainen, 2008). Credibility means that the researcher shows familiarity with the topic and that the conclusions and interpretations can be made from the enough amounts of data collected. Transferability means that the research has connections to previous research; that some kind of similarity can be found in other research contexts. Dependability then means that the researcher is doing careful and consistent work and that he/she can show that the research process is documented and logical. Confirmability means showing that the findings and interpretations are logical and closely linked to the data.

However, it is important to understand, that the researcher is and should take and recognize his/her part in the knowledge production in the research process (Hirsjärvi & Hurme, 2001). The interpretation of the empirical material and results does not happen in a vacuum; it does not happen without our own gender, culture, experiences and expectations (Eriksson & Kovalainen, 2008). It is important to understand that the same data gathered may produce different interpretations and results by different researchers. However, Hirsjärvi & Hurme (2001) point out that this does not necessarily mean that the research method or research itself has weaknesses. The most important thing is that the researcher has to be able to argue the results and explain how he/she has analyzed the material and ended up in certain results. Showing the logic of the research process is important. These relate to dependability and confirmability of the research. A member check (Eriksson & Kovalainen, 2008) is also a way to show confirmability of the research and increase the quality. I am going to do it as I am sending my initial findings with conclusions to some of the interviewees.

Furthermore, to ensure the quality of the empirical material, and to contribute to the trustworthiness of my study as a whole, I read information of how to do interviews well, devoted time to careful preparation the interview guides, made field notes during and after the interviews and during the whole research process, and rechecked the transcriptions. Before the interviews, I gave the interview guides for other people to read to make sure all the questions are understandable and in logic.

Another way to show trustworthiness of the study is reflexivity, which is an important concept according to Eriksson & Kovalainen (2008). The researcher reflects his/her own

biases and prejudices and critically examines the whole research process. To do reflexivity, I did field notes during and after the interviews, as I mentioned, and thought about the interviews and the main points of each of them immediately after the interview situation. Throughout the whole research process, I have made notes of the topic and notes of new ideas and thoughts.

Understanding that context matters, is also very crucial when doing research. As I use US- and UK-based fundraising literature in my literature part, I understand that the context in those is very different to Finnish context. Therefore, I use organizational translation literature to explain the importance of context and to understand the differences related to fundraising between the Finnish and the US contexts. In addition, Hirsjärvi & Hurme (2001) emphasize that research is basically always contextual rather than universal. Therefore, it is very important to pay attention to contextual matters such as history and culture, and this is what I am doing in my study, so it enhances the trustworthiness of the study.

4 FINDINGS AND ANALYSIS

In this chapter, I will present the findings and analysis of my research based on the interviews conducted and some secondary data. I have divided this chapter into three main sections. The first section is the background for fundraising in the arts and culture field in Finland, consisting of the concepts of fundraising and how they were understood by the interviewees, the background of fundraising in the Finnish context, and the legal environment for fundraising in Finland. The second section continues to a more detailed level of how fundraising is done in Finnish arts and culture organizations. I will start by forming an overview of the current situation of fundraising in Finnish arts and culture organizations. I will then explain findings related to the motives and reasons behind private fundraising, the forms of fundraising and how fundraising is organized, important aspects of fundraising, resources and skills required for fundraising, objectives for fundraising, supporter motives and objectives, and current or recent results of fundraising. The third section is the challenges, development points and future insights related to private fundraising in arts and culture field in Finland. I will present the challenges and development points for each challenge related to fundraising, company cooperation and partnerships, based on the

interview findings. Finally, I will present some future insights for fundraising in the arts and culture field in Finland.

4.1 The Background for fundraising in the arts and culture field in Finland

4.1.1 The Concepts of Fundraising and Company Cooperation

Fundraising includes donations and foundation grants, company cooperation including sponsorships and partnerships, and crowdfunding

The concept of fundraising was understood broadly meaning all the efforts to obtain funds to the arts and culture organization, including donations and grants from different actors, company cooperation including sponsorships and more strategic and integrative partnerships, and even crowdfunding, *“And here in my organization we see that fundraising represents broadly the “asking side”. Fundraising is foremost development of long-term relationships and then making the ask at the right time. The money can be raised from private donors, customer club members, corporate partnerships and foundation grants – so the range is broad.” (HL).*

However, it was interesting to notice that some interviewees – not all - seemed to still connote the word ‘fundraising’ more to obtaining donations and non-compensative financial support from individuals, companies and foundations, and sponsoring and company cooperation was seen as a slightly separate thing by some interviewees, even though understood to be part of overall private support for the organization. This is interesting, as it should be noted that the fundraising literature suggests that fundraising refers to the solicitor – in this case the arts and culture organization – and that fundraising includes all the forms of funds including company cooperation. So, fundraising as a concept includes all forms, but there are differences between the forms of fundraising, for example donations versus company cooperation: it was found that company cooperation is based in business; it is part of the sponsoring company’s business operations. Furthermore, company cooperation including sponsorships and partnerships always include compensations for the company,

whereas donations cannot include compensations for the donor. Also, the source of money in the company can differ in donations and in company cooperation:

“but on the contrary, the partnership activity or sponsoring or this kind of thing is a totally different thing because it is an operative investment for the company. If you do a donation, the donation is made with a mandate from the board of directors, and it may require a shareholders’ meeting in the worst case. ---- It (donation) is a different thing because to do the donation you use the shareholders’ money. It (donation) comes from the funds shared from the business profit.” (JT).

I will discuss more about the forms of fundraising and the differences of them later in this chapter.

Various concepts of fundraising are used in arts and culture organizations depending on their focuses in fundraising operations

In the interviews, the overall term ‘private fundraising’ was presented to the interviewees and explained what I mean with it in my study. Everyone was familiar with the term but it was found that the interviewees mainly use different concepts: most often either ‘fundraising’ or ‘sponsoring’ or ‘company cooperation’ in Finnish. One interviewee regarded the term ‘private fundraising’ as not useful as fundraising should be seen holistically as an entity, including fundraising from both public (the state, municipalities, public institutions) and private sources (individuals, companies, foundations). Private fundraising and support should not be seen as a separate part, but private and public fundraising go hand in hand; *”and if we think about fundraising in the big picture ----- that what it is; it is donations, it is partnerships, it is sponsoring, but it is also seeking funding from the public sources. And the other does not exist without the other. ----- If you put these things into silos, then you lose the touch of the big picture.” (JT).* This is because the public support mechanisms for an organization to obtain private funds are very important; the leverage of the public funding is significant. For example, the fundraising campaigns of Finnish universities, such as Aalto University and University of the Arts Helsinki, would not have been as successful as they were without the ‘state matching funding’ (*valtion vastinraha*), it was a strong motivation and trigger for the private sector to donate to the campaign. I will discuss more the public support mechanisms later in this chapter.

As said earlier, some said to use mainly ‘sponsoring’ or ‘company cooperation’ concepts as they were the main forms of fundraising in their organization.

”Yes, we use other terms, we talk about company cooperation and partner acquisition or sponsor acquisition, because we are seeking not only funds but we are seeking content and partnerships and long-lasting partnerships.” (MV).

”Well, we don’t use the word ‘fundraising’ that much, because we don’t do it maybe in the traditional meaning of it. We do and use a lot of company cooperation and other cooperative partnerships, and then these kinds of service generation partnerships.” (JS).

”No, we don’t actually use it (the word fundraising), we do company cooperation” (KK.)

Even though the concepts of ‘sponsoring’, ‘company cooperation’ and ‘partnerships’ were used by the interviewees quite interchangeably, some however seemed to make a distinction between ‘sponsoring’ and ‘company cooperation’. Overall, the concept of sponsoring was related to more traditional and transactional ways of doing it, and the concept of company cooperation was associated with more modern business cooperation.

Using the right concepts related to fundraising is important - it matters

One interviewee commented that in a ideal world organizations would not use the word ‘fundraising’ at all but instead use the word ‘development’ as they use in the US. This is because the other Finnish word for fundraising, *varainkeruu*, which means literally to collect funds, is very close the word ‘*kerjuu*’, which means to beg for something, which then does not have a good connotation. Fundraising is not as easy as to just collect money, so the ‘development’ term would better describe the nature of fundraising. The interviewee explained the background for the ‘development’ term; *”the term ‘fundraising’ was previously used there (in the UK and the USA), and nowadays people have used the term ‘development’ for at least ten years, even twenty years. Even organizational departments are called ‘development departments’ and so on.” (HL).*

4.1.2 The background of fundraising in the Finnish context

The role model for fundraising comes from the USA and UK

Also according to the interview findings, the Anglo-Saxon countries USA and UK are the original context where fundraising especially from private sources has been done for centuries, and the role model for private fundraising comes from those countries. The interviewees constantly compared the fundraising operations done in arts and culture organizations in Finland to the operations and processes done in the USA and the UK. What was found is that when fundraising was spreading to Finland as a practice, the role model for that was taken from the US and UK fundraising, and this is still going on; many organizations currently use the US and UK models as benchmarks for fundraising and its operations, *"this kind of American-styled fundraising, and the willingness of even private persons to allocate their own personal funds, to certain targets - whether it is science or culture – is apparently coming to Finland."* (ML).

Fundraising started in the universities in Finland

It was found that active fundraising as a practice started to spread to Finland ten years ago. Universities were the first ones to start to do active fundraising in Finland. They opened the path for also the arts and culture organizations to do active fundraising later on, *"when universities started to do fundraising around ten years ago, it started to shape to culture of philanthropy in Finland, and has also helped arts organizations to start to do fundraising more boldly, actively and visibly."* (HL).

However, fundraising is not a new thing in the arts and culture field in Finland

It came up in the interviews and secondary data that fundraising and private funding of arts and culture are not new things in Finland when taking the history into account, *"for sure we have had arts mecenas throughout the times, but it is not until recently that universities and arts organizations have started to do active fundraising."* (HL). Before the extensive role of the public sector regarding also arts and culture funding, patronage and mecenatism were common in the arts and culture field in Finland. Arts mecenas mean private persons monetarily supporting arts and culture. For example Finnish Cultural Foundation raised its initial capital from private people, and many donations were small in size.

Company cooperation in the arts and culture field is also not a totally new thing, and it has been done for a longer time in Finland than raising donations, *"Arts organizations (in Finland) have sought and done partnerships with companies for a longer time – already before they started to actively and publicly ask for donations."* (HL).

However, even though sponsoring of culture and the arts has been done longer in Finland, some interviewees commented that it can still be quite boring, *"on a general level the culture sponsoring (in Finland) is maybe still this kind of quite boring and mundane."* (MV). Also, *"Yes, company cooperation for sure is done (in the arts and culture field); but of course quite often you do what is easy, this so-called 'low-hanging fruit'---"* (JT). Also, the cooperation could be done more innovatively and using thinking out of the box method, *"But I still think that company cooperation could be done much more innovatively."* (MV).

4.1.3 Legal environment related to fundraising in the arts and culture field

It was found that the societal context affects how arts and culture is being funded. Therefore, the context affects also private fundraising in the arts and culture field. Finland differs from the US society, for example, and so do legislation and taxation related to private funding and fundraising. In addition to the legislative issues, also the societal culture has a significant impact on fundraising, and I will discuss this later in this chapter in the challenges and development points section. What can be drawn from the interviews and some secondary data, the most important legislative issues or public mechanisms that have or can have an effect on fundraising are Money Collection Act, tax deductions and state matched funding scheme. In general, the legislative and public system can either complicate or ease the fundraising activities of arts and culture organizations.

Money Collection Act

In Finland, corporations and foundations with a purely nonprofit purpose, such as nonprofit arts and culture organizations, can arrange public activities, such as fundraising campaigns, to appeal for a larger public for donations. However, arts organizations need a fundraising permit in order to raise donations for the organization for nonprofit activities. Raising funds means that the money is raised without any compensation for the giver (Money Collection

Act 225/2006). Also, for example universities can raise money with a permit. The permit is usually granted by the police department (Money Collection Act 225/2006).

Currently the fundraising permit can be granted for a maximum period of five years (Money Collection Act 8.8.2014/652). However, at the moment, the Money Collection Act has been under modification process, and the new Fundraising Act will come into force in spring 2020 (Ministry of the Interior, 51/2019). The Finnish Government just submitted the new Fundraising Act for approval on 4th July 2019. The most important changes are that the fundraising permits will always be granted for an indefinite period, and that small-scale civic fundraising is possible with just a notification (Ministry of the Interior, 51/2019). The general objective of the reform was to improve the current system to a more fluent one (Ministry of the Interior, 2018). Indeed, the Money Collection Act reform into a Fundraising Act will certainly ease the fundraising of arts and culture organizations and this can result in increased private funds to arts and culture field. Many interviewees support this view. I will continue to discuss this in the challenges and development points section.

Tax Deductions

In Finland, donations made to science, arts or cultural heritage can be deducted in the income taxation if certain requirements are met. Finnish businesses and corporations can deduct donations to science, arts or cultural heritage if the donation sum is at least 850 euros (Verohallinto, 2019). The maximum sum of donation is 250 000 euros, if the donation receiver is a state or a university in the European Economic Area. The maximum donation sum for the deduction is however 50 000 euros, if the donation receiver is an association or a foundation purposed at supporting science, arts or Finnish cultural heritage (Verohallinto, 2019). Furthermore, the association or foundation must be nominated by the Tax Administration, but this nomination decision can be applied for. Nonprofit arts and culture organizations, if not arts universities, fall into the category of maximum of 50 000 EUR tax deduction.

Individuals can also make income tax deductions from donations, but different regulations apply there. They can deduct donations minimum of 850 euros and maximum of 500 000 euros made to science, if the donations has been made to a university, university foundation

or a university of applied sciences in European Economic Area (Verohallinto, 2015). The tax deduction possibility aims at enhancing the private funding of universities according to the Tax Administration. Donations to other types of organizations than universities, even in the field of science or arts, are not tax-deductible (Verohallinto, 2015).

With tax deductions, the public sector can motivate the private sector to increase their support to arts and culture field, and therefore to ease the private fundraising in arts and culture field. This donation tax deduction is a tax expenditure (*verotuki*), which means it is a public support mechanism, in this case targeted at certain fields and organizations. Tax expenditures have been criticised in public due to the fact that they are not directly part of state budget economy. However, the positive side of this tax relief is that the crowd can decide through their donations to which organizations or targets the support is directed at.

"Well firstly, as a general notion, it (tax deduction right) is a tax expenditure. We have over 200 different tax expenditures in Finland. They are usually criticized in particular for that reason that the expenditures are support for that certain operation but they are not similarly included in the state budget economy as it would be the case with the direct support to opera or some other arts organizations or culture in general. But then again, linked to these tax expenditures is this other side, ---- that on the other hand, the good sides of it (tax expenditure), is that the support is allocated according to how the audience wants it to be allocated, as everyone can decide themselves to which organization to allocate their support." (EE).

So, as we can see from above sections, the Finnish state currently restricts the areas where individuals can deduct their donations in the income taxation, and therefore directs people's acts of donating. Currently the tax deduction right for individuals applies only to donations to universities, so arts and culture organizations are not included here. Only businesses and corporations can deduct their donations to both universities and nonprofit arts and culture organizations. It can be concluded that donors are currently treated differently in taxation depending on to which causes they donate to. I will continue to discuss this in the Discussion chapter.

Matching funding

Another public mechanism found affecting to private fundraising, is the so-called ‘matching funding scheme’ or ‘matching gift’ given by the state in relation to fundraising campaigns, for example. These matching funds have a significant effect on the success of the fundraising according to some interviewees. For every euro raised the state grants a certain sum of euros on top; *”And then the situation is, that the leverage of the funding is very big. You put 30 %, and you get 70 %. The one euro changes into four or three and a half euros in practice.”* (JT). This kind of mechanism has been used multiple times in Finland, mostly in university fundraising campaigns during recent years, but also in the National Gallery fundraising campaign in 2016-2017. Furthermore, if there are many organizations doing fundraising, such as it was in the university fundraising campaigns, the state can set a maximum sum for the overall matching funding; *”and then it (the matching funding scheme) has been modified in a way that there has been put a certain maximum sum – was it 10 million, 100 million, 150 million euros - for how much the state will give matched funding overall, and the matched funding sum will be determined by how much we (the universities, arts organizations) have been able to collect (money) altogether.”* (JT).

All in all, it was found that the matching funds can be a strong motivator and even a precondition for the private sector to give funds when they see that another party is also involved with the campaign; *”but also when fundraising for basic capital (for a certain arts organization), the donors say that ””then the Ministry of Education and Culture or the state should also get involved in that (in the fundraising campaign)”” so that if the state gives matching funds, then both private persons, companies, foundations and the third sector will donate much more willingly.”* (JS). Therefore, without the matching funds the campaigns would not be as successful - it would be much harder to raise funds from the private sector. I will discuss more the state matching funding later in the challenges and development points section.

4.2 How fundraising is done in Finnish arts and culture organizations

4.2.1 Overview of fundraising in arts and culture organizations

Finnish arts and culture organizations are in a transformation point - many are in the beginning of doing active fundraising, but it is increasing and its importance is being highlighted

Based on the interviews, arts and culture organizations are now facing a new time, where active fundraising is seen more and more necessary for the organizations in order to be able to ensure the competitive edge for the organizations. Many interviewees emphasized that fundraising and its importance are increasing all the time, but arts and culture organizations are still in the beginning of doing it in Finland; *"we are in a way in the beginning of a new era"* (HL). This gives a picture that most of them are still learning how to do it professionally and strategically. However, all the interviewees thought that fundraising in its all forms is nowadays important for arts and culture organizations and that its importance is increasing; *"—yes, it is becoming more important all the time, we are all the time going to that direction where private fundraising is more and more essential part of the operation."* (JS).

Furthermore, the arts organizations believe in the idea that everyone can be a mecenate and that this thinking is increasing as the wealth of private persons is increasing; *"it can clearly be seen that the wealth on many directions is increasing, so therefore I think that there would be willingness to this kind of mecenate funding, and this would certainly be beneficial for artists and culture (in general)."* (ML).

Other reasons for the importance of fundraising were found to be the communicational and organizational objectives of fundraising in addition to the monetary objectives, because *"Fundraising is a wonderful additional muscle for the organization's communications. Every time a fundraiser meets a person – whether a prospective individual donor, customer club member or corporate or foundation representative – the fundraiser tells the story of organization. This can add to the overall awareness of the organization and help in brand building in the long run"* (HL). Furthermore, fundraising and developing the private funding were seen important, because *"whoever reasonable person organizes his/her household economy in a way that the source of money would not consist of only one source nowadays."* (NS). So, the broader funding base and multiple sources of money for the arts organization often seemed to be the background thought in the importance of fundraising, as I will continue later on.

There is a lot of potential in fundraising in the arts and culture field in Finland, and it is developing

Continuing, it is only recently arts and culture organizations have started to realize the potential of active fundraising and put efforts to it. Thus, many interviewees emphasized the beginning point where they are now in their organizations when it comes to fundraising; *"the work (fundraising) has been done in a high speed, although on the other hand the structuring of this part (fundraising activities in the organization) has been unfinished."* (NS).

However, even though the arts and culture organizations are in the beginning, they all emphasized the big potential in fundraising. Especially company cooperation was seen to have very much growth potential in the arts and culture field as well. Many interviewees thought that the importance of company cooperation will increase a lot in the future years and also wished for more company cooperation between the arts organizations and companies. This increasement of company cooperation was seen as a positive progression:

"It (culture sponsoring) becomes more and more important of course; the situation is now that the (overall) sponsoring market in Finland is 300 million (of worth) ----- And of course majority of it is currently directed to sports, but culture sponsoring – what partner activity and fundraising (in arts and culture field) partly are - is rising. And the significance of it (culture sponsoring) will certainly increase" (JT).

"Yes there is a lot of growth potential in it (culture sponsoring). And this is especially related to the discovery of new synergy forms. And I think – when especially speaking of the significance of art museums in Finland – that it can be seen more and more widely and clearly in Finland. For example, these overly miraculous queues here (to Amos Rex museum) during the recent weeks are a very concrete indication of that (growth potential of culture sponsoring). And at least to my knowledge, these 15 partners of ours (Amos Rex) are currently very, very happy that they are our (corporate) partners." (KK).

However, even though arts and culture organizations have now started to put efforts to private fundraising and company cooperation, many interviewees think that in general, there

is still quite little of fundraising operations in arts and culture field currently; *"my general impression is that arts organizations still operate with quite small investments (in fundraising). That there is a small number of personnel and small monetary investments, and the organizations have not got the chance to do it (fundraising and company cooperation) largely, in a way."* (HL). Also, *"If you go ten years backwards, it (culture sponsoring) was much more minor than what it is today. It is still very scarce, in my opinion, compared to the potential of it (culture sponsoring)."* (JT).

Furthermore, one interviewee commented that even though the fundraising operations aiming at receiving donations are developing in Finland, they will probably stay quite small at least for some time; *"It (fundraising in arts and culture field) is strongly developing here (in Finland). Especially in the visual arts sector. But that this private fundraising in the so-called American style – it is minor here (in Finland), and it is largely due to our tax legislation system, and also of course due to the fact that Finland is still quite a capital poor country after all. So it (American-style fundraising) is relatively scarce, and it seems to stay quite scarce for some time."* (KK).

4.2.2 The motives and reasons to do private fundraising

Fundraising is nowadays a practical reality – arts organizations aim at a broader and more diversified funding base

But why are then many arts and culture organizations nowadays putting more efforts to fundraising, company cooperation and the relationships between individual donors, corporate partners and foundation supporters? What are the reasons and motives behind these?

According to the interviewees, fundraising is nowadays a practical reality: public funds to arts and culture organizations are not solely enough anymore; *"Shortage of money. Everybody needs money, this is the thing."* (JT). Public funding has been declining and arts and culture professionals do not see public funding increasing in the future, *"But the world is changing and the cashiers are getting empty. So, if we think about the unscrupulous basic fact, the situation is that more money is needed."* (JT). Therefore, when asked why the interviewee's organization is doing fundraising and how important it is for the arts and culture organizations, many interviewees see that fundraising from private sources will be a

vital part of funding for the arts and culture organizations in the future; *"I see that it is a vital condition in Finland."* (NS). They also need other financing sources than the public, which then means funds from private sources. As one interviewee commented; *"And the significance of it (fundraising and company cooperation) will certainly increase, and the reason for that is again that public funding will stay at same level if not even decrease. And these mechanisms (of fundraising) have to be built to fill the 'gaps'."* (JT). Also one interviewee commented (HL); some arts and culture organizations do not even get public support almost at all, so private fundraising is then certainly a vital condition for them, in addition to the organization's own revenue.

Another important aspect to do private fundraising and company cooperation is that the arts and culture organizations should have a broad and diversified funding base, and therefore they should do fundraising; *"-the share of own funding and the significance of it is all the time increasing. And of course as a versatile actor the sources of income should preferably be from many different sources, and through that the fundraising and company cooperation is an essential part of how the share of own funding can be brought in."* (JS). Also another interviewee enlightened the objective for a broad funding base; *"So I am seeking this kind of heterogeneous ----- so that there are (money) flows coming from different sides; there are grants and subsidies, public money, but that there is also - in addition to you and me paying taxes to these universities (for example) – that there is also this kind of culture of making good, that people are given the chance to also decide where they want to give more."* (NS). Another reason for talking about the broad funding base and diverse funding channels is again the decreasing public funding for arts and culture organizations and the fear of it: *"the state funding shares for financing culture, for example in museums, have decreased all the time, and the own revenue and fundraising have become all the time more essential and important."* (JS).

The broad and diversified funding base is beneficial for the organizations as it minimizes the risks in getting funding. Some funding channels may not be large in percentages in the organizations' budgets, but when there are multiple funding sources the percentages add up and the organization's funding becomes more secured; *"But of course there has to be as diverse funding channel menu as possible, because we cannot rely only on this (funding source: foundations) because it does not in percentage represent as big a share as for*

example company cooperation in our organization – if we are now for example talking only about foundation funding here.” (NM).

Fundraising increases understanding and connections between arts organizations, audiences and business sector

Many interviewees thought that fundraising increase understanding and help to create the connections between arts and culture actors, audiences and business sector. This also works the other way round: when arts and culture organizations have connections to audiences and business sector, it increases the possibilities of succeeding in fundraising as well, and the arts organizations have a broader network of supporters. This was seen as an important motivation also for those arts and culture organizations whose financial situation is stable and do not currently have a shortage of money; *”Then if we talk about those (organizations) who don’t have this concrete compulsion to get the (more) money right now, we are talking about that it is good to learn to understand the business sector and this society on a broader perspective; when the world is changing and you build these partnerships reasonably and persistently, then you have a broad network of supporters in the changing situations. That is the other reason (for doing fundraising).” (JT).*

One interviewee concluded well: *”I believe that the business sector has a lot to give for example to the arts sector, as well as the arts sector has correspondingly a lot to give to the business sector. But if we don’t build these bridges through different cooperations in the arts sector, then the connection is not formed and the understanding not increased, and that is then very sad in my opinion.” (NS).*

Fundraising is one way of being an active, accountable and responsible organization in the society

Another motive to do fundraising is to increase the organization’s accountability and legitimacy in the society. It was suggested that fundraising should be a part of arts and culture organizations’ operations because funding given to the organization with minimal effort makes the organization lazy and does not necessarily motivate the organization to develop its operations; *”-but also in my opinion, if people are just given money into their hands, that*

does not evoke to think about options. I won't say that not giving any money would evoke the creativity, but I do think that when you have less to spend, you have to think about how you prioritize and what is important –" (NS). Continuing on this notion, doing private fundraising is also part of the arts organization's accountability and proactively taking responsibility of their own organization, even though it were mostly a publicly funded organization, such as the Finnish National Opera and Ballet. So, in a way the organization is legitimizing its existence also through fundraising; "For our type of large arts organizations, fundraising is part of accountability in that way that we want to responsibly do our bit and be part of building the future, that in a way we are part of building also the amount of the advocates of the supporter group." (HL).

For many arts organizations, private fundraising is a complementary action aiming at more security in funding

All in all, arts and culture organizations are not aiming at a situation where private funds would be the only source of funding in addition to other own revenue (such as ticket sales) - not talking about if it could even ever be possible as our societal structure is very different from the US and UK models, for example - but they are aiming at a broader funding base which brings more security. Public funding is and will continue to be the base and source for financing the core operations.

"I would never hope we went to the American model (of financing arts and culture), where the majority (of the funding) would come from the private (sector), because we do not have enough (funds here in Finland), we (Finland), don't have that much rich people or companies (as in the USA), so therefore I don't believe in that and I don't even want to-" (HL).

4.2.3 The forms of fundraising and how they are organized

4.2.3.1 Starting and Planning the fundraising process

When asked about the strategies of fundraising in the organizations, many indicated that they don't have a separate strategy for fundraising but fundraising is covered in the overall organization strategy; *"We don't have any separate strategies for fundraising. Of course we can use that word in speech as if we would have (part strategies), but we have one strategy*

and it is divided also into a part called funding. And in the funding (part) there is the thought – still quite small – that we are going to start also this kind of broader fundraising. But the central part of the funding is for sure – if we are talking about private funding – private foundations, funds and company cooperation.” (NM). However, some mentioned having made a strategy for fundraising, but which is based on the organization’s overall strategy. The same applied to strategies or plans of company cooperation.

The findings indicate that fundraising and company cooperation need a detailed plan and that it should be based on the overall organization strategy because the overall strategy sets the objectives for fundraising as well. Furthermore, the objectives of fundraising are also to develop the whole organization.

”In 2015, I did the strategy (strategy for developing private funding) for us, and the strategy begins with defining the starting situation; what we are as a university. On the other hand we also look at the whole strategy and vision of the university in there, because these objectives (of fundraising) have to be based on the that (whole strategy) ...and what is the internal readiness for this work.” (NS).

What was also found is that what kind of and how the arts and culture organizations are doing fundraising varies between organizations. The findings indicate that the forms of fundraising done in practice in the Finnish arts and culture organizations are diverse. Based on the organization type (nonprofit or for-profit), organization strategy, traditions and experience, some arts organization do mostly company cooperation in different forms, some have focused on partnerships with foundations, some have taken multiple paths to do all forms: both appealing for donations in different forms, partnerships with foundations and company cooperation.

“when we started to do this work in the beginning of 2016, first we of course made a plan with my colleague. And we had actually quite wild ideas as well, and broad and international (ideas), but then we decided with the General Director what we are going to do and we stated that we start by opening several different paths and see what works and later change the course if necessary. And we use this kind of path-thinking.” (HL).

As also mentioned earlier, many organizations were found to be either in the process of planning and starting new fundraising operations or thinking of starting some initiatives related to that in the future years.

“We have had several processes here where we have considered that (private fundraising) in particular, and we have had even consultants with whom we have considered that. We are currently developing this operation (fundraising) purposefully, but of course we want to do it in that way that it appears in the right way, and therefore actualizes in the right way. So that we don’t start to raise too small funding streams, in a way.” (NM).

4.2.3.2 The forms of fundraising and modes of support

Based on the findings, the forms of fundraising and modes of support can be divided into two general categories, which I have formed: business-based forms of fundraising and non-business-based forms. Business-based are company cooperation including all kinds of sponsorships and partnerships, and investment products, such as valuable instrument investing. Non-business-based forms are donations and grants from individuals, companies and foundations, which mean non-compensative support. The donations come in different modes, which I will explain further.

Company cooperation and partnerships with foundations were found to be currently usual forms of fundraising in the arts organizations. It is important to notice here that partnerships can be both business-based and non-compensative, as it is the case with foundations. Many art organizations have applied and received grants from foundations, and the support of foundations was seen very significant and important in arts and culture field in Finland. Thus, the foundation support was seen so important that foundations were referred to as partners in some cases; *“the foundation field is very significant and when talking about those we could rather talk about partners, so it is not only seeking money (from them), but these projects made with private foundations and funds are also partnerships, and then it becomes much clearer that all the operations of fundraising are some kind of partnership operations. There are always some mutual objectives, aspirations, and wishes to be visible and communicate related to the aspirations.” (NM).*

Donations and grants in different modes

The findings indicate that the modes of receiving support are diverse. It was found that some arts and culture organizations have received donations as bequests or major gifts. Bequests or legacy gifts were said to be quite common. Furthermore, artwork donations were found to be the most general and traditional mode of donations in the museum context. Artwork donations come from different actors – for example from individuals and also companies; *“those (artworks) are also offered to us, especially by private donors, that they wish to donate to us. We always consider those case by case, whether it is reasonable to take those to our collections. And if it is not (reasonable), then we like to suggest alternative targets for those.” (JS).*

However, it was found that artwork donations are a bit different thing compared to other donations and fundraising. There are also problems related to artwork donations: art organizations may get these offerings too excessively, and they often have to decline usually due to the misfit of the artworks to the existing collections or due to the fact that art collections would require a lot of resources in the organization; *“people approach us actually quite a lot when they want to donate us artwork collections. But unfortunately we have to say “no thank you”, almost without exception. Because instead of them increasing our operational resources, these kinds of donations actually consume our operational resources.” (KK).*

Other modes of support include customer club membership, donations by establishing a fund named after the donor, and crowdfunding. However, it was found that many art organizations have not organized crowdfunding campaigns, as they are usually more suitable to smaller actors. It is good to notice that crowdfunding can either need a money collection permit, when the donations are non-compensative, or it can be regarded as advance sales (Arpajaishallinto, 2019).

One interviewee gave an example of a customer club; *“-Bravo Club, which differs from all these kinds of support associations which have very small membership fees; in here (Bravo Club) we have put bravely 1000 EUR per year. We considered the price for a long time, and it can be that there will be changes and also different levels to that for the future seasons, let’s see. But the idea in it (the club) is that there are people involved in building the future of*

opera and ballet, and we also organize different kinds of tailored events for them at the same time. The number of members has not been very large, but it has been nice to notice that some of them have already become donors as well; a couple of individuals have given quite significant donations, without us soliciting a gift. So, these people are those with the right mindset, but we are still considering the price and concept, so that we would get a bit larger group interested in this and so on.” (HL).

Another interviewee gave an example of a fund named after a donor; “around 12 or 13 years ago there had just started this ‘Save a book’ campaign in the National Library of Finland, and I thought that there are many good things combined in it. I was planning to donate a bigger sum of savings there - not organizing just an anniversary money collection – but when I contacted them, they suggested me to establish a fund named after me. That kind of thing had never come to my mind-“ (Individual donor).

Different kinds of fundraising campaigns were found to be quite a common way of organizing the public fundraising, aiming at receiving donations from individuals, foundations and companies. However, larger fundraising campaigns have mostly been organized by Finnish universities, due to the changes in their public funding and the legislation, but also a couple of arts and culture organizations have organized fundraising campaigns to date. These are for example National Gallery and Finnish National Opera and Ballet, as mentioned earlier in this thesis.

Investment products

It was found that investing could also be a form of fundraising, for example valuable instrument investing, which the Finnish National Opera and Ballet has experimented in Finland. This was regarded as a completely novel way of fundraising in Finland; *“first we tried to find a group of people to fund a valuable instrument, but then actually we have the CEO of Mandatum Life as a member in the Fundraising Committee, and through that we got an idea to establish a completely new investment product for Mandatum Life: a valuable instrument investment product. It means that ---- private persons who meet certain criteria, based on legislation and other, can invest in that fund ---- and when there is a certain sum invested in it, Mandatum can then buy an instrument for our organization to use. And we*

luckily got first investors involved and Mandatum could buy a valuable cello for our organization; now in use by our solo cellist Samuli Peltonen. And it is bought by Mandatum Life but these private persons as investors in a way own a piece of it, and we of course try to treat them as we would treat donors, because it is valuable for us that the instrument is here in our use. The instrument is tied to us in that way that if the musician changed the organization, the cello would stay in here (in the National Opera and Ballet).” (HL). This valuable instrument investing and other investing methods could also have future potential as forms of fundraising.

Company cooperation

Company cooperation including all kinds of sponsorships and partnerships was found to be one of the most usual forms of fundraising. It was found that the modes of the company cooperation vary in the arts and culture organizations. Many arts organizations have different levels or categories for the sponsorships and partnerships, either according to the type of the partnership or the sum of money involved in it. Many have defined main partners involving the monetarily largest partnerships, and in addition to the main partners there are other partners. Usual sponsorship and partnership types were media partnerships, marketing cooperation partnerships, service and product partnerships, and project partnerships for a certain project or program.

“we always try to tailor our partnerships; we have sorted that we have three levels of partnerships: main partners, content partners and marketing and communication partners. Varma, Helsingin Sanomat and Stockmann are our main partners and Evli is an important other kind of partner. The latter are more these kinds of joint operations related to communications and marketing. We have also had Finnair and Kalevala Koru as our partners, for example.” (HL).

Considering what is exchanged in the partnership, many do both monetary and barter contracts; *“-all the cooperations are nowadays reciprocal, so there are no free lunches anymore as such. The company partner requests compensation for the money given. And there are for sure service partnerships and these kinds of barter partnerships and then also money partnerships, so all kinds of (partnerships).” (JS).* Barter contracts mean that the partnership includes receiving products or services for free or at a discount in exchange for

compensations to the company. Also, media partnerships are called barter. Barter was found to be very usual; *“A big part of this company cooperation happens in the form of sort of exchanging services.” (KK)*. It was also mentioned that these kinds of barter partnerships are quite easy ways of doing partnerships; *“Well yes, company cooperation is done (in arts and culture organizations) but quite often you do what is easy- the so-called ‘low-hanging fruit’. For example, the cooperation with media is quite easy. You do some kind of ‘barter’, basically we can say that there is always some unused media space; floating time on the radio, tv or print, ‘you name it’, and then in exchange for that you give something.” (JT)*. So, it was indicated that partnerships could be done more innovatively as well.

It was also found that some organizations prefer monetary contracts in their organizations; *“it has to be quite a big player if we do that kind of (company cooperation) that there would be no money given to us-“ (MV)*. However, it should be noted that all these modes of company cooperation have an impact in the arts organization’s budget, *“Yes, for sure we have money exchanged here, and it should be remembered also that when there is some service given (to us) and although it is not paid with money, it sure has a clear value; it means then savings in the budget, which has therefore for sure very big monetary relevance for us. So, I can say that every partnership has a monetarily measurable meaning.” (NM)*.

Furthermore, it was found that the compensations for the sponsoring company are important to think and define. Therefore, what was emphasized, company cooperation requires productization and packaging thinking in the arts organization; *“-all the time it is important that we are able to think how we can utilize our services and contents.” (JS)*. Also linked to this, it was emphasized that the company cooperation has to be mutually worthwhile to do for both partners; *“at least all of our (partnership) contracts – whether they involve money or barter - are about something which is mutually and unambiguously worthwhile.” (KK)*. Furthermore, many interviewees emphasized the importance of finding and executing mutual contents in the partnerships. Finding the right contents that connect both parties is in the core of partnerships nowadays. The contents have to be relevant both to the arts organization, the company and of course to the audiences; *“-we don’t have any kind of price catalogue saying that “take these things and then you get this size”; we don’t sell piece of land (in a festival), but we sell suitable and convenient content where the company, us and the audience all win.” (MV)*. The traditional sponsorships with money, products or services in exchange

for company logo visibility and that kind of, are nowadays usually not enough; *“it is not only the logo visibility. Everything starts from shared values, and mutual contents are built after that based on mutual interests”* (HL).

The sponsorships and partnerships are usually from 1- to 3-year contracts according to what was found. Some partnerships may be only for a certain project, so then they might be shorter; *“We have approximately fifteen partners at the moment and most of them are three-year contracts. One of them is this kind of exhibition-specific.”* (KK). However, one interviewee commented that even though 1 to 3 years is a typical duration of a contract, the cooperation with the same partner might have continued already for many years, even a 20 years’ time.

Regarding the partnership acquisition and negotiation process, it was found that usually it is the arts organization, which makes the first step to suggest a partnership with a company. It is a lot about organizing moments to meet with company representatives, and reaching contact through email and phone; *“Phone to the hand and just start calling, it is a lot about that and also the legwork, so you go and meet companies and company representatives and network with them”* (JS). It was also found that the arts organization needs to think who could be a potential partner, and do enough background research of it before reaching and contacting the company; *“I always do good background work and try to familiarize myself with the company, and find all the possible information there can be found of the company.”* (MV). I will continue with the partnership acquisition and networking further in this chapter in the Important aspects of fundraising section.

Below I have gathered a summarizing table of the forms of fundraising and modes of support that came out in the interviews. I have divided the forms into two categories: business-based and non-business-based forms.

Table 2. Forms of Fundraising and Modes for Support.

Business-based forms of fundraising		Non-business-based forms of fundraising
Company cooperation, sponsorships and	Investment products and methods	Donations and grants in different modes

partnerships		
Main partnerships - most valuable monetarily	Investments in artworks and items, such as valuable instruments	Artwork donations
Media partnerships - cooperation with media partners		Bequests or legacy gifts
Marketing and communication cooperation partnerships		Company networks / Company club memberships
Project partnerships - for a certain project or program		Customer club aimed for donation-minded individuals
Service and product partnerships (barter contracts)		Donations by establishing a fund named after the donor
Other sponsorships and partnerships		Donations received through a fundraising campaign etc.
		Grants from foundations
		Major gifts and other donations from individuals
		Voluntary work

4.2.4 Important aspects of fundraising

Fundraising is all about networks, and building long-lasting relationships and partnerships

All the interviewees emphasized the aspects of relationship building and partnerships in fundraising - creating and managing long-lasting relationships with various stakeholders, such as companies, individuals, foundations and other institutions; *"my own definition for fundraising is that it is creating long-term relationships with the means of communications, marketing and sales and then of course in the ideal situation there is also money coming in."*

(HL). All the mentioned parties can be potential donors or partners for the arts and culture organization, and the ultimate objective for building and managing the relationships is that at some point there is support coming from the relationship in financial or other form. Creating, building and managing the relationships and partnerships require a lot of time, and it does not happen instantly, as it was found: *"first you have to in some way – whether it is a private person, foundation, company – try to create the relationship and get to know each other, and then at some point it (possible result such as partnership, support, donation etc.) comes. For example, we have had meetings probably almost ten times with one company, and maybe we get to some sort of contract at some point, but these rarely happen in a short time."* (HL). The starting point for building longer relationships and potential partnerships is legwork and meeting people; *"This work, which is understood as fundraising, has so far been very much about 'leg work', meetings, face-to-face work-"* (JT).

When talking about partnerships, many emphasized the value aspect of them. Whether it is a partnership between an arts organization and a private foundation or a partnership between arts organization and company, the value base of both parties matter a lot in these partnerships. What was found; the overall objectives, contents and values of the company and the arts organization all must match together; *"And maybe that kind of compatibility of values is the core thing. So in a way, what supports our good and strong brand, and also the company is seeking in the same way what strengthens their brand and their operations in the eyes of audience or in the eyes of other companies, so depending on with whom they work with and tell about that thing (about the partnership)."* (NM). It was found that many arts organizations pay attention to this matter; *"And you need to think quite a lot about the match between the art and the funding and the partner, so not everything goes. But this should apply also elsewhere; for sure in every field the partners need to find the shared value base and mutual benefits."* (NS).

Continuing, rather than bringing a lot of brand visibility and those kinds of things, the arts organizations were found to have a lot of potential in being those partners through which the companies can express their values; *"So let's say this way that our visibility channels are probably not that very tempting to publicly listed companies for example. But as a value partner, we are nowadays probably very potential and important."* (NS). It was emphasized that the cooperation should not be superficial and that the arts organization must find those

partners with the right fit; *"so this cannot be superimposed on top of everything, but it should be part of the organizational DNA."* (JT). All in all, the partnership benefitting both parties, and finding the common benefits is in the core. This is the basic reason why partnerships are established, *"It is not like we would just take the money and then run, but then we develop various things together (with the partner)." (HL).*

Networks were said to matter a lot in fundraising. The organization needs to network with relevant parties and stakeholders in order to be able to build partnerships and to be able to reach the potential supporter and donor crowd; *"Maybe we are here already so ahead, that it is hard to think about anymore where it all begins, because our networks are already that much broad. But yes it all begins with creating the networks, and that those people who are doing fundraising already have broad networks, whether they are personal or other, but anyway the network is quite central here."* (NM). Existing networks to business life and personal relationships were emphasized, for example in getting in contact with potential partners; *"Those kinds of personal relationships are always very helpful, or at least that (the negotiations) then go forward to certain direction or another."* (MV). Also consultants were found to be useful in finding company partners as they often have a broad personal business network in addition to their knowledge of partnership building.

There are several ways of how to start to build relationship, how to network and get contacts and how to form the base for possible partnerships with companies and foundations. These ways include using the earlier-mentioned existing business contacts and relationships of the organization management, the board of directors or organization employees; forming a fundraising committee to get contacts to business life; organizing networking events for potential donors and company executives; inviting people, such as potential individuals and company representatives to visit the arts organization; showing performances and other outputs of the arts organization to make the people and potential partners interested; and being a member of international fundraising forums to network with other fundraising professionals. Furthermore, it was found that it is much easier to start partnership negotiations with an existing contact than through cold-calling, which was said to be very challenging; *"Back in the days when I have alone by myself tried to get these company cooperation contracts, the most difficult and hardest part of it was to get in contact with a company representative on the phone, not to mention getting a meeting with them."* (KK).

One interviewee explained the idea of fundraising committee:

"we for instance broadened our networks in that way that we started to think about how we could get the chance to discuss with people from different fields or how we could get the chance to discuss with these kinds of actors who are busy executives with whom we don't personally have a relation with, so we thought that what if we take this kind of international idea and assemble a fundraising committee. So we looked for professionals representing different sectors that we found important, plus those kinds of professionals who are in some ways fans of opera and ballet, and who are passionate about this and who could voluntarily help us." (HL).

What was also found is that when the arts organization is more known or gets positive publicity, people become more interested in it and also the companies become more interested in the organization, which then helps partnership negotiations; *"The fact that Amos Rex has been such a high-profile project and has gained a lot of positive publicity right from the launch, has helped this (partnership acquisition and building) a lot in this case. Some contracts were even made in result of an initiative from the partner, meaning that the initiative did not come from us. And that is something, which is very exceptional in the Finnish company cooperation operations, to my knowledge." (KK).*

What was also found, networking in fundraising is not only contacting the biggest potential supporters but also engaging with a larger crowd. One interviewee commented that fundraising could be thought as one form of audience work. The rationale behind this is that when opening and telling about the arts organization's work and operations to a larger crowd - showing what they are doing in the organization - gives opportunities to people or companies to engage with the organization operations and in the end, the people or company can become interested in supporting the arts organization in some form; *"I have earlier done audience work for a long time, and I think this development of funding is kind of audience work. To increase the audience's awareness of what you are doing, and engaging them, get them involved, with right and suitable means." (NS).* Another commented that fundraisers can be described as brand evangelists: *"Every time a fundraiser meets someone, they tell the story of the organization with an aim of leaving an everlasting positive memory" (HL).*

All in all, what can be concluded is that fundraising is much more than just straightforward request of money. Understanding the relationship- and partnership-building and managing, the importance of already-established networks and the legwork and meetings related to fundraising is essential, as all this is required before any money can come in. Those organizations who are still inexperienced in fundraising can fall into the trap of just starting to ask for money without careful plans or understanding of networking and relationship building; *"Also abroad, the case with many universities and arts organizations often goes so that they have a larger (fundraising) campaign when these organizations often are still quite inexperienced in the fundraising, relations management and funder management, and they just quite bravely start to seek the funds, and then on the other hand they forget the fact that this (fundraising) requires also this kind of persistent development work; so this is not just seeking and asking money, let's say that it is roughly one-fifth of it."* (NS).

The core parts of fundraising is sales, marketing and communication

Another important characteristics of fundraising found in the interviews are that fundraising is based on the processes of sales, marketing and communication, and successful fundraising requires understanding of those. The sales and marketing aspect is especially important in company cooperation and building partnerships, which are based in business thinking, but also in other fundraising; *"This is not for amateurs messing around. Rather, it (fundraising) requires the understanding of how sales processes function, how partnerships are built, and how and what could be the strategic or some other reasonable connection between the organization who seeks the partners and the potential partner."* (JT). It was also found that before talking about 'fundraising', organizations in Finland actually called the similar activity as 'sales'. It is therefore not something special knowledge, which would be far from general business and sales thinking.

An example of the need for understanding of sales processes is that donations or partnerships in fundraising can be thought as the act of purchase or as a transaction - before reaching to the transaction, certain amount of touchpoints or encounters are required for that, which means careful planning; *"one marketing person has previously counted how many 'touch points' – what these encounters are – are needed for the transaction to happen. So the same kind of thinking applies to this (to fundraising), and then as this (fundraising) is still such a*

new thing, it depends on whether it is about a partnership or a donation that how quickly it happens, and also the industry closeness in the partnerships with companies may also affect (how quickly it happens).” (HL).

Also, as in marketing and sales thinking, fundraising also has the customer orientation. The potential partners and donors can be thought as customers, and some of them are regular customers; *“we have the understanding in marketing and sales work - which definitely need to be linked to this (fundraising) in my opinion – that we need to have the so-called regular customers, and just in the same way we need to see in this work who are the strategically most important partners of your organization, and to hold them on.” (NS).*

What was also found, fundraising has a strong communication aspect. Communicating about the organization, its mission and operations to the potential donor crowd, and telling the arts and culture organization’s story to the audiences; *“the communicational side is also so strongly linked to it (fundraising), so you need to think of the main messages-” (HL).* Without communicating about your organization to the potential donor crowd and to the business life, the donors and potential partners cannot know about your organization and they won’t support your organization. Also, communication is not only the task of the personnel responsible for the fundraising activities, but actually the whole organization; *“actually everyone here (in our organization) or in other organizations are involved in the fundraising in that way that they are sharing a message. Actually we have just completed a new version of our sales pitch” (HL).*

So, in fundraising, the arts and culture organization needs to decide and communicate a certain message to the crowd. This message is the ‘case for support’ of the arts and culture organization. Although this term was not used precisely in the interviews, all the interviewees brought this concept up in some way. The case for support means arguing why it is important to support this certain organization, and why now. The objective of the communication is to persuade crowds to support the organization; *“Well I see the purpose of the communication in that way that it would support those hesitant (people) who have sometimes thought (that they could donate)” (Individual donor).* What was also found, this message and case for support is the most powerful and effective in the form of a story; *“when you start these processes, and some organization wants to execute this kind of operation, then it requires that the story in*

the background is thought through.” (JT). If you are doing continuous fundraising, you will tell the story of the arts organization. If you are doing a fundraising campaign, you tell the story of the campaign.

Furthermore, fundraising requires a reason strong enough and a clear target. Many reasons arguing why arts and culture are important targets to donate and support, were found. All these arguments build the case for support around arts and culture. One argument brought out many times is the well-being arts and culture brings to people and to the whole society; *“it should be made more visible that it is worthwhile to support culture because it has a lot of these well-being effects, and of course it has significance in itself-”* (Individual donor). Also; *“we can change a person’s mental world and experience and bring well-being in that way, so in that sense it is important. There is an expression in English saying “charities save lives” and “we”, meaning arts organizations “change lives”.”* (HL).

Arguing the case for support for a certain arts organization is also included in the larger discussion about why it is important and worthwhile to donate and support in general. Many emphasized that donations allow people to directly support those issues in the society that are important to them, and people should be given the possibility to make the decision of the target cause themselves, because *“no external party can say what is the heartfelt concern for a certain donor; for someone it can be the tigers of Siberia and for some other person it can be the poor girls in Africa, and for someone it can be the opera or ballet because he or she has got a memory of that kind from his or her childhood, for example.”* (HL). Also the individual donor I interviewed emphasized her willingness to direct funds to those areas she thinks are important and in need of more funds as public funding there is not enough. A motivation is also that she can directly decide where her support goes; *“-I have never been given the chance to decide where my tax payments are directed, so this is one sort of rebellion, by directing (my support) to those areas where public funds have not been enough, in my opinion”* (Individual donor).

Continuing, related to the communication aspect, the importance of the organization opening its operations to the crowd was also emphasized. Communicating what the arts and culture organization is doing, and why they are doing it, helps again the potential supporters to understand why the organizations and arts and culture are worth being supported. Opening

the organization and its operations to the crowd and potential partners also help in justifying the organization's existence in the society; *"-for sure we always need to be able to clearly tell what this is all about and what we are trying to do here."* (NS). Also, *"universities and all those organizations which are doing this (fundraising) have to also be awake and active, meaning they always need to remember the reason and purpose for their existence."* (NS). Furthermore, it was brought out that it is good also for arts organizations to be required to justify their existence and operations as it is often the ground for organizational development; *"sometimes when putting your operations under somebody else's eyes can actually bring quite big added value for the development of the operations (in the organization), and this is how I think."* (NS).

After persuading the potential donors and partners, communication has also another role, which was found. Communication is the key method to enhance donor loyalty, and make the donors to support again or to make the partners see that the cooperation has made a return on investment. A part of this communication is to tell how the received funds are and have been used in the organization. Keeping the donors and partners informed is very important. However, this kind of communication not only serves the existing donors but can also spread the awareness of donating and fundraising in general.

"But on the whole, --- it is worthwhile to put efforts to communications, also in a broader sense when thinking that they (arts organizations) should constantly find new (donors) or make those people donated once to donate again. In a way the organization should always tell about what they have done with the donation funds. That is surely the best incentive..."
(Individual donor).

All in all, to get partners, supporters and donors, arts and culture organization need to open their organization and operations to the crowd, communicate about what they are doing and why, form a main story and message of their organization and tell this story for the crowd to persuade them to form partnerships with them or to donate to their organization. After the persuasion, they need to communicate how the funds have been used to keep the supporters close and make them donate again, or to keep the partnerships long-lasting.

4.2.5 Resources, knowledge and skills required in fundraising and partnerships

It was found that fundraising is and should be seen as an investment in the organization. Fundraising requires enough resources, such as people with the right skills and knowhow, and materials, but also enough time, needed for the planning and relationship building. All these things have to be invested before any money can come from the fundraising processes; *"money is needed in order to do certain operations – whether it is events, materials or something like that – but also time is needed, because you cannot just organize a meeting and then immediately ask for money."* (HL). Also, *"my recommendation – and this is what is done in other countries – is that often it should be first invested more (money) to this (fundraising) than what comes in."* (NS). After forming the partnership or making a fundraising plan, there must be enough personnel and resources to execute the plans and the contents of the partnerships. Enough resources and efforts are needed both in the arts organization and in the partner company. The bigger the partnership, the bigger the investment in it must be also in the arts organization; it requires more time and personnel resources. Fundraising and partnerships are very resource-intensive according to many interviewees, *"there must be personnel to do it, but it is not enough that there are personnel doing, also budget is needed, because there is always some material that needs to be prepared or catering or that kind of investment which needs to be put to the relations management before any money can come in."* (HL). Also, *"Sponsoring and company cooperation is very laborious because you need to give time to every company, and with everyone you need to find the right form of the cooperation. As we seek something from the company, similarly the company also seeks different things from us."* (NM).

The number of personnel in the arts organization working within fundraising and partnership activities full-time was found to be quite low - usually from one to three people. This was seen to have some risks; *"it stays quite narrow if there are one or two (persons) as hired employees, and if that stays like that only, so in some way the networks should be able to be broadened."* (HL). However, the fundraising and partnership activities also require other personnel's efforts, especially in the planning, negotiation and execution phases. The organization management has overall responsibility of the fundraising and partnerships, and the executive managers are usually involved in the planning and partner negotiation phases. The fundraising and company cooperation personnel work closely with the management. It was also found that some arts organizations have used or are using external consultants to help to build the fundraising and company cooperation processes to the organization,

especially in the beginning of the operations; *"we have this consultant working with provision-based salary, but then in addition to that, a lot of working hours of our own personnel goes to it (company cooperation and partnerships), and also a lot of my (managing director) working hours go to it."* (KK).

What was also found, the important skills and knowledge needed in fundraising and company cooperation are in general business knowledge - understanding how business works. This is closely linked to the earlier mentioned understanding of how sales processes work, and how partnerships are built strategically; *"Well I came to Aalto (University) to lead that project (of fundraising) because I have a very long and strong background in sales, marketing and management."* (JT). Especially regarding company cooperation and partnerships the business knowledge was emphasized a lot; *"Absolutely this kind of certain commercial know-how, or let's say understanding of the logics of company field, especially understanding the aspirations of those companies which we are trying to reach or with whom we are working with, so that we can build the mutual value. It cannot be just (value) from our perspective, that kind of partnership would not usually succeed anyway. So, at that point (of building the mutual value) it requires the understanding of companies' objectives."* (NM).

As indicated in the above quote, related to business thinking is the understanding of the operational logics of the partners, such as companies, and this was emphasized a lot. By understanding the operational logics and objectives of the potential partners, it is possible to find the mutual benefits and values between the arts organization and the partner; *"So it (fundraising and company cooperation) requires a lot of understanding of the operational logic of the other (side), bilaterally."* (KK). Also, when both parties understand each other's operational logics and have a mutual understanding of what they are doing in the partnership, it is then more likely to be successful; *"But I would say that the proceedings have always been of that kind where we have in a way been able to talk about the same things from the beginning to the end (with the company partner), so in a way the communication of those and the understanding of what we are doing (together), and the expectations have been met or exceeded."* (NM).

Furthermore, other important skills include productization, product packaging and content concepting knowledge, which means that the arts organization is able to offer the right modes

for audiences to make donations or to be able to think what kind of services and products they can offer to companies in the potential partnerships. The arts organizations need to productize the operations they are doing in their organization; *"we need to be able to look at the contents and those things we have from a new perspective, thinking about what services we can actually offer and what strenghts we have. And then we need the skill of being able to translate these things to the language of companies and potential donors ---- So, being able to communicate to them in that way that the message is come across is quite a significant skill that has to be possessed."* (JS). Creativity and imagination are also important in finding the right modes for cooperation; *"It (fundraising and company cooperation) requires above all, bilateral imagination in being able to find and see the points where our interests are aligned (with the partner), and where we can find those, and where we can do such cooperation that it will generate this kind of real concrete added value."* (KK).

Also, the knowledge of contracts and how to do them was also emphasized related to partnerships. Knowing all the information which should be included in the contract is part of professional building of partnerships; *"Well we have of course now learned a lot here, we have done these big and complex contracts and those figures in it, so we have now learned what details should be taken into account when you are negotiating these equivalents; and that what are the points where probelms occur, and how you need to talk through all kinds of things and details in good time, and all of this kind."* (KK).

Furthermore, what was founds is that in addition to the sufficient investments and efforts to the partnership in the arts organization, enough resources and efforts are also required in the company in case of a partnership. In fact, if the company puts more resources than the actual sum marked in the contract, the partnership is more likely to be successful; *"It is worthwhile to invest enough (to the partnership in the arts organization's end), but the most successful (partnerships) are those when the company is investing more (to the partnership) also in addition to what they have done with us. So, the succceedings (in partnerships) are linked to the company's ability to see the comprehensive investment and effort, not only the investment based on the sum and content of the (partnership) contract, but also what they could do more on top of it: in their own communications, in internal communication, and that they utilize it (the partnership) and tell about it. And when this is how it is done, it generates absolutely the best result."* (NM).

4.2.6 The objectives of fundraising for the arts organization

The general objective of private fundraising was found to be of course getting more funding for the organization, but the objectives are also linked more broadly to the objectives and operations of the whole arts organization. On the whole, there was found to be a general assumption for the objective and purpose of private fundraising: it should be done for new openings and new projects in the arts and culture organizations. Many commented on this in the interviews; *"The significance of it (fundraising) is aimed to increase especially in accomplishing something new; producing new artworks."* (NM). Also, *"We have tried to define it in that way that within fundraising, we are working for getting new initiatives, and getting those kinds of things that bring added value. So, we don't fundraise for the core operations because for those we get public support-"* (HL). Also, as mentioned earlier in this chapter, many Finnish arts organizations are still in the beginning in doing fundraising but have plans for starting to do it more extensively for new projects. And as we can see from the previous quote; in nonprofit arts organizations, the core operations are often funded mostly by the public sector, but novel ideas and projects are especially suitable to be funded by private sources; *"-with the scarce basic funding they (arts organizations) get the core operations done, but then for bringing something extra, (for example) some foreign visitors to lecture in seminars or to direct (a culture project) or something like that, so for these kinds of things I have understood that they (arts organizations) use these (donations)"* (Individual donor).

Furthermore, the upcoming new architecture and design museum, which is currently in the planning phase, was said as an example where private fundraising and private funding are probably going to play a bigger role; *"regarding the new architecture and design museum (project), fundraising will surely become more involved in it at the point where the project has progressed further. And because the matter is then about such a big new culture institution entity in Finland, the questions of how it is then financed and how the entity is built and how the private (sector) is involved in it, are big questions."* (JS).

Below I have compiled a table of arts and culture organizations' most general objectives of fundraising, which were found. The table covers all the forms of fundraising the

organizations is doing: donations, company cooperation including sponsorships and partnerships and so on. In addition to the general objective of getting new openings, projects and initiatives and self-explanatory ‘getting funding’, the most common other objectives for fundraising were found to be enabling interesting contents, which is linked to the above new initiatives thinking. Also creating broader networks and developing long-lasting relationships were important according to many. Also, increasing the recognizability and understanding of the arts organization, legitimizing the organization’s existence in the society through fundraising and the willingness to advance arts and culture in the society were also found to be important objectives for private fundraising. Also, as mentioned earlier, the objectives link to the overall objectives and strategy of the arts organization; fundraising helps to develop the whole organization; *”The idea (of fundraising) is that on one hand, you develop the relationships with donors and partners, and on the other hand, you develop also the whole organization with the help of the new, monetary support.” (HL).*

Table 3. Arts and Culture Organizations’ Objectives for Fundraising.

Economical benefit	New openings and initiatives	Relationships and networks	Organization development	Marketing and communicational benefits	Impact
Getting funding	Enabling innovative and novel projects	Creating and developing long-lasting relationships and partnerships	Enabling and improving the broadness and quality of the arts organization's operations	Strengthening the brand through communication	Making a bigger impact in the society
Broadening the funding base of the arts organization	Enabling interesting content	Networking, creating broader networks	Learning to solicit	Increasing the understanding and recognizability of the arts organization and the arts and culture field	Accomplishing bigger benefit for the arts organization, arts and culture in general, and also for the partner and audiences
	Producing memorable experiences	Accomplishing joint projects with different		Legitimizing the organization's existence and the	Advancing and promoting arts and culture (in the

	for audiences	actors in the society		operations	society)
				Creating the donation culture both inside the organization and externally in the society	Making the surrounding area (e.g. town, city, country) more interesting and attractive

4.2.7 Supporter motives and objectives

Furthermore, the importance of understanding the motives and objectives of the supporters was emphasized, the supporters being company partners and donors, such as individuals and foundations. It was found that the basic motive in both company partnerships and in donations is that the partner/donor feels that it is beneficial for them to connect themselves to the art organization in people's mental images; *"of course the background (of the objectives) is that the basic motive of all our company partners is that they see that it is beneficial for them to attach the company to Amos Rex in people's mental images. This is what it is about in essence. It is always about these mental images in essence. And this applies actually also to the other form of fundraising (donations)."* (KK).

Continuing on the motives, if the partner is a company, the partnership motives always lie in the business. The companies seek for compensations in exchange for what they have given - funding, material or items, or service etc - to the arts organization in the partnership.

According to one interviewee, they are seeking some kind of return on investment in the partnership. It was found that the most common things the company is aiming at in the partnership include company brand and image benefits, company visibility, new networks, reaching certain target audiences and customer groups, maintaining and developing customer and personnel relationships or increased sales. The motivations for the company can lie more in boosting the company brand and image and marketing new products or services, or it can lie more in the corporate social responsibility and doing good in the society. The company may want to be part of creating a better home city, environment and world. The may want to support important matters locally. They may want to be part of creating something new,

which can help them transmitting their values, which then again can lead to brand benefits, for example.

”There has to be the ‘reason why’, why would some actor partner with some other actor. There must be some reason (behind). When we are talking about money and business and companies, the reason must be linked in that way that it has a ‘return on investment’, right. Whether it is money, brand benefits, reputation benefits, corporate social responsibility, or whatever this kind, but it has to be there.” (JT).

Furthermore, the main motives for donors to donate to arts and culture, according to what I found from the interviews, were willingness to support and advance causes that are important to self (in this case arts and culture), but that also advance the well-being in the society, willingness to enable all the people to be able to enjoy arts and culture, willingness to be part of preserving our cultural heritage and being part of doing good, willingness to promote arts, culture and artists in the society, and also the ‘warm-glow’ feeling received from donating. The latter mentioned motive relates to the above mentioned motive that also the donors wish to mentally connect themselves with the art organization, even if they wouldn’t tell anyone about the donation; *”-when the support is non-anonymous, it is then very clear that (the donor) wants to in a way attach his/her own identity to the support target. But also, when it (the support) is anonymous, also then the supporting person/actor experiences this kind of private satisfaction of supporting something that fits to his/her values.” (KK).*

Below I have presented a table of motives and objectives for sponsorships, partnerships or donations of the partners and donors:

Table 4. Motives and Objectives for Company Cooperation and Donations.

Motives and objectives for corporate partners		Motives for donors (individuals, foundations)
Benefits of mentally connecting themselves to the arts organization		
Brand and marketing benefits	Corporate social responsibility	Willingness to support and advance causes that are important to self
Company brand and image benefits	Image and reputation benefits	Advance the well-being in the society
Company visibility	Be part of creating a better home	Willingness to enable all the people to be

	city, environment and world	able to enjoy arts and culture
New networks	Support important matters locally	Willingness to be part of preserving our cultural heritage and being part of doing good
Reaching certain target audiences and customer groups	Do good in the society	Willingness to promote arts, culture and artists in the society
Maintaining and developing customer and personnel relationships		Warm-glow feeling received from donating
Marketing new products or services		
Increased sales		

4.2.8 Current or recent results of fundraising

The interviewees were also asked about what fundraising has enabled and resulted in the arts and culture organizations. The enabled things or results that the interviewees mentioned were quite similar to the objectives of fundraising. This indicates that fundraising so far has brought some satisfying results in arts organizations although broader and strategic fundraising is still in its early stages.

What was found is that fundraising and company cooperation has concretely enabled to produce often new, novel and innovative projects, exhibitions, events and performances, such as performing new artworks through premieres, or bringing international artists to visit. Without private fundraising these projects - whichever the form - would not have been possible to execute in many cases. Private fundraising - especially company cooperation - also was said to have enabled interesting content and program, more diverse operations, and bigger productions of events (such as bigger festivals).

“so, if we talk about single-, let’s say exhibitons or events, it (private funding) quite often enables the execution of those. That’s what it is. And then it is a thing, which is done with that money or partly with that money. And that has also a great value; here we have produced big things which would not have ever been able to be done without this kind of operation (private fundraising).” (JT).

Fundraising and company cooperation was also said to bring more resources and investments to marketing and communication of the projects and events; *“And it has affected certainly in that way that we have been able to put more efforts also to marketing and communications; to telling about the things.” (NM)*. Also, it has enabled international marketing with partners; *“-(with that) we enable our international marketing, because in Finland our position is already in a way quite saturated, let’s say.” (MV)*. Related to marketing and communication aspect, the fundraising operations were also said to have helped in brand enhancement and delivering the arts organization’s message, telling the story of it, and telling what the organization is doing; *“what we have also accomplished is that kind of delivering the message of our organization, and in that way strengthening the brand, because in all these encounters we anyway broadly tell about our operations. And for example for quite many people it comes as a surprise that “”oh, you do (program) also for babies, oh I didn’t know that””, and so on.” (HL)*.

Other more concrete results of fundraising operations mentioned in the interviews were getting new partnerships with companies and foundations and receiving other donation funds for the support of arts and culture in general.

“What it (private fundraising) has enabled, is new company partnerships, such as Finnair, Kalevala Koru and Evli Bank. And then this school opera project; a school opera in Swedish in cooperation with these Finnish-Swedish foundations. Then there is this immersive opera project, Opera Beyond, for which we received the funding from Jane and Aatos Erkkö Foundation and for which we are actively seeking other funders. And then private donations to support the opera and ballet in general.” (HL).

Below I have gathered a summarizing table of the results of private fundraising in the arts and culture organizations.

Table 5. Results of Fundraising in Arts and Culture Organizations.

Projects, content, productions	Marketing and Communication	Networks and relationships	Donations
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Enabled novel and innovative projects, such as new artworks, events, domestic and international tours, exhibitions, performances, programs, other projects	More resources and investments to marketing and communication	New partnerships with companies and foundations	Private donation funds for support of arts and culture
More diverse and special operations and projects	Sending a message and telling the story of the arts organization		
Interesting content	Enhancing the brand		
International artists to Finland	International marketing with the help of partners		

4.3 - Challenges, development points and future insights related to private fundraising

In this chapter, I will discuss the challenges, development points and future possibilities related to fundraising that were found. I have divided the challenges and development points into internal, partnership- and company cooperation-specific, and external categories. Internal refers to issues inside the arts organization, and external to the external environment of the arts organization. I will present the challenges and development points as statements, and then explain each challenge and development point, which relate to the challenge. These development points can be thought as steps to be taken to respond to the challenge.

4.3.1 Internal challenges and development points

Challenge: To get fundraising more strategic and long-term activity in the arts organization. To make the partner and supporter relationships continuous and long-lasting, so that funds are received regularly, and not just as single investments or donations.

Development points: Careful planning of systematic fundraising operations. The activities of fundraising, company cooperation and partnership building need to be in the core of organizational strategy and in the annual plans of the arts organization.

A challenge that was found is the question of how to make partner and supporter relationships continuous and long-lasting so that funds are received more often than just as single donations or single partnerships with companies; *“These are so marginal these funds that it is quite unbelievable. As single investments they can be big; let’s say that Musiikkitalo got 100 000 euros from an unnominated actor, which is a big sum. But the problem is that it is the only donation.” (JT)*. A challenge was also how to overall get fundraising more strategic and long-term activity in the arts organization; *“-the systematic processes in there...the question is exactly how you build the program work in that way that it is permanent.” (JT)*. It was also found that sometimes organizations may focus too much on receiving the money, when they should be thinking the reasons to support and invest to the arts organization from the possible donors’ and partners’ point of view, thinking the case for support, as this helps to concentrate on building the long-term relationships. It was said that single projects do not necessarily build strategic and long-lasting cooperation between partners.

To develop more continuous and long-lasting support relationships requires that fundraising must be in the arts organization’s strategy. Also, the activities must be in the annual operation plans of the arts organization. The fundraising processes must be thought through.

“There is this big turning point, or there is a possibility for this kind of turning point, where the existing resources could be re-allocated to do this kind of thing (fundraising) in that way that it is in the culture organization’s strategy. That is the thing.” (JT).

Another interviewee also commented; *“and that we would also think about the operation from a strategic point of view. Meaning that if we need to get funding from there, we need to think about what activities we need to do, which facilities and what kind of know-how we need to have so that it is possible. Because it (fundraising) cannot be just superimposed on top of everything at some point.” (JS)*.

Continuing on this, fundraising being part of the organizational strategy means that ideally the fundraising personnel should be part of the strategic planning processes of the organization, which means the fundraising manager should be part of the management team, for example. The reason behind this is that the fundraising function can best support the organization's projects if it is part of the plans right from the start. Also, then the fundraising operations can be done at the right schedule and early enough in relation to the projects, which need funding.

“Let's remember to take the fundraising function involved in all planning because usually donors and company partners want to be part of doing some new openings, and then it means that the fundraising function should be quite well aware of the strategic planning; for example where we are aiming at in four of five years. So what are the important things for which we should be trying to find funding. If the fundraising function hears about the things only at the point when some project is being announced public, it is very hard to justify it (the fundraising for the project) outwards if it (the project) is already public and so on.” (HL).

These above mentioned actions could then lead to the permanent operation of fundraising. Furthermore, related to the strategy, it was found that the sponsoring and partnership activities should also be in the sponsoring company's strategy and annual plans; *“So when we are talking about genuine partnerships and long-term cooperation, there must be found this kind of shared outline, which on one hand supports the target (arts organization) but also the company in the company's own objectives.” (JT).*

Challenge: To get the organization management understand that fundraising requires investments. To get the whole arts organization to see the importance of private fundraising and get the personnel involved in the fundraising efforts.

Development point: Internal cooperation in the arts organization must be developed. The managers and personnel of the organization should be involved in the fundraising activities and processes. More investments to fundraising.

Another challenge that was found is the challenge of getting the whole organization personnel somehow involved in the fundraising and getting everybody understand the importance of private fundraising. The fundraising team, which often has only a couple of employees, cannot solely do fundraising themselves. Also, some personnel inside the arts

organizations can have prejudices about private fundraising and may fear the decrease in public funds if the private fundraising is increased; *“many still seem to have the impression that “the public funding is enough for us”, and also at the time when I started, there was this thinking that if we do this work (private fundraising), then for sure the public funding will decrease.” (NS)*. Furthermore, some still have doubts about the suitability of partnerships between arts organizations and business life. They may fear that the external funders affect the content of the art. One interviewee commented confronting always a little bit of internal resistance towards fundraising in her work:

“the opinion has culminated maybe also among artists that private money is bad, that public money is only good. And I have noticed during these past 20 years that you do this kind of work always a little bit towards headwind inside your organization. So although people maybe understand the good purpose of this, there are a lot of prejudices. And many think that “it must be hard to get the financiers” - well it is not easy, but I can say that sometimes I feel that there is a lot more positive tone in the financier and sponsor negotiation table than what it is in the situations where I have to argue and push people in our organization to for example create the contents and think what we can offer (for the financiers and sponsors), that is my experience.” (NS).

Getting the whole organization part of fundraising starts with the management. It is important that they understand the requirement of investments needed for fundraising - both time and money-wise; *“one thing, which I believe is challenging not only in our organization but also in general, is the organization’s management understanding of the investment perspective, both money and time-wise.” (HL)*. Without investing enough resources to the fundraising processes, you cannot receive high enough funds and results. Also, it is important that the management is committed to the fundraising operations. *“Especially in the USA a big part of the working hours of the organizations’ directors go to fundraising, whereas here (in Finland) it is still a fraction of it.” (HL)*. Doing internal cooperation and setting shared objectives for fundraising inside the organization also ease it; *“it should be learned to do internal cooperation. It is very hard to do this work if we don’t have shared objectives. Very, very hard. And if we don’t have shared objectives, we have no good shared results either.” (NS)*. Finally, courage and boldness in fundraising and in the organization’s plans were also emphasized; *“So, being bold and daring, and thinking big and boldly, and that the*

organizations have courage to offer bigger things and also trust in the own organization, so that they don't 'sell it too cheap' either." (HL).

Challenge: Lack of enough resources, skills and knowledge to do professional and strategic fundraising, company cooperation and partnerships.

Development point: Developing and acquiring the skills and knowledge needed in fundraising and partnerships in the arts organization, such as productization, business, finance and legal skills. Arts organizations would benefit from more economists, lawyers and engineers as employees or consultants.

Another challenge related to the above challenge is the lack of enough resources, skills and knowledge to do professional and strategic fundraising and partnerships in the arts organizations; *"So traditionally thinking, especially in mid-sized and smaller culture organizations there is not that know-how for the fundraising. So, we need the right know-how in the personnel and also the change in the mindset in the organization." (JS).* It was found that the fundraising teams in the organizations are often small and the arts organizations do not necessarily have the resources to execute all the plans so they need to select the activities they do within the resources, time and skills they have. Furthermore, the number of fundraising professionals in Finland in general is limited, and many of them are working in the NGO's, not in arts and culture field. Also company cooperation requires other specific knowledge; *"And then there is this point that from where can you find the professionals. Where can you find the 50 people, as an example, who will start to do this kind of thing (private fundraising operations)." (JT).*

It was found that possible solutions for finding the right skills and know-how include increasing the education of fundraising and partnerships, networking, sharing best practices and copying successful concepts and projects. Also, as mentioned earlier, re-allocating the resources in the organization could bring more resources to fundraising. Developing the productization and business skills in the arts organization would help company cooperation; *"I would say that we need to further develop the thinking and also the productization better in our organization, so that we can then do the company cooperation better and so on." (JS).* Also, recruiting more financial managers, lawyers and even engineers to arts organization would bring more finance, accounting and legal knowledge, which are also needed in

fundraising; *“-I wish that these artists and actors of the culture field had professional financial and legal experts available for them, so that these artists could concentrate on the contents.” (ML).*

Challenge: Company cooperation done in arts and culture field does not turn into funds for the arts organization. How to get companies to see the value of arts organizations as potential partners.

Development point: Communicating openly about the arts organization and its operations. Making the operations more transparent, so that audiences, partners and stakeholders could understand the organization’s work better and therefore make them interested in the arts organization’s work, or continue the support.

Another challenge found, which can be regarded both internal and external, was that the company cooperation being done with arts and culture organizations does not really turn into money in the big picture. This is not the case with all arts organizations, but in the big picture, there could be a lot more money involved in the company cooperation.

One interviewee explained this issue; *“So the monetary investments (are small)...it is nice for companies to be part of the operations of for example the National Theatre, and for sure it is much nicer for them if they don’t have to pay anything from that. You kind of get the brand value of the activity. But this have to be turned other way round. There is only one Design Museum in Finland. The recognizability of Ateneum is 100 % here in Helsinki, 97 % in the whole Finland. It is a totally unique organization. Getting to do company cooperation with for example Ateneum should be an honor. And it concerns quite many (arts) organizations that the activity has to be turned around. So this is the big dilemma: there is that activity (company cooperation in arts and culture field), but it does not turn into money.” (JT).*

This also indicates that the companies do not see the reason to invest a lot in the cooperation, they don’t see the partnerships valuable enough. The challenge is how to make the companies to see the value and potential of partnerships with arts and culture organizations. As it was found, even though the arts organizations may not reach as broad audiences for the company as some other organizations could reach, the partnership with them might actually make stronger impact in the audiences and involve more relevant target audiences for the

companies. This continues the notion of arts organizations having potential as value partners, as discussed earlier in this chapter.

“Another challenge is that how you get the companies to see the importance of the value of arts and culture organizations. ----- an arts and culture organization can in so many other ways actually leave a stronger mark and help the company better. So I would encourage to think that even though the target group that is reached might seem smaller, it can actually be a more appropriate target group (for the company) and the content may be stronger for that group.” (HL).

Related to above, a challenge found was also the pricing and finding the optimal value for the partnership. It was found to be challenging to optimally price the abstract and indirect elements of the partnerships and benefits for the company; *“So for our partners the benefits (from the partnership) are actually these kinds of indirect benefits, which are a little bit difficult to quantify. And there lies the challenge. But smart organizations can understand and determine these difficult-to-quantify benefits.” (KK).*

Challenge: Finding content and projects relevant and beneficial to both parties in partnership. Finding mutual understanding and vision of the cooperation and content of it.

Development point: Carefully concepting partnerships and making company cooperation plan in the arts organization that is aligned with the arts organization’s brand, to enable strong and relevant content in the partnerships.

It was also found that related to company cooperation and partnerships that it is very important to concept the relevant contents of the partnerships and find the mutual benefits and mutual understanding of the cooperation, and these may be challenges, regarded as both internal and external in relation to the arts organization. A challenge can also be finding the concepts and content that interests the company; *“maybe the challenge is that how to find those kinds of suitable concepts that would be win-win things. And it is absolutely not easy for us either, so it requires a lot of thinking and planning and so on-“ (MV).* Both parties need to understand the objectives of the other party for the partnership.

Therefore, the arts organization should do a company cooperation plan, which is aligned with the arts organization’s brand to enable strong and relevant content; *“so if it is that kind of activity (in company cooperation) which is not linked to your own brand and profile (of the*

arts organization), *I don't know how you can build any strong content in it either.*" (MV). They also need to do concepting of possible partnerships and plan the compensations and offerings for the company in the partnership; *"Our compensation package (for the company) has been under development and work in progress-*" (NS). Using external parties, such as consultants, can be of great help for the arts organizations in doing the planning and concepting, as some arts organizations have used. Also, the offerings can be thought creatively and also outside of the arts organizations core functions; *"And to think what kind of needs companies have, so do they need some personnel recreation days for example. ----- For example a theatre can sell workshops or some improvisation and other training programs or oral communication trainings and so on."* (MV).

4.3.2 External challenges and development points

Challenge: The donation and support culture in Finland is still narrow, and arts and culture field is a less known target to donate to.

Development point: Creating and broadening the donation and support culture in Finland through communicating the case for support and through fundraising operations. Making donating more familiar to people. Arts organizations learning to solicit support.

As stated earlier, the context matters in fundraising in regards to societal structure and culture. The Finnish societal structure differs quite a lot from the US and UK structures, where private fundraising has been the main form of financing arts and culture organizations. The public funding has been major in Finland for decades and this is making private fundraising more difficult in here as people are still not that used to it; *"Our donation culture is not yet very advanced, that's the most general challenge."* (NM). They are not that used to donating, and when they donate, the target organizations are usually something else than arts and culture organizations, such as humanitarian organizations and other traditional charity organizations; *"In Finland, at least what is most visible, people mostly donate to humanitarian associations, to children, animals, environment and crises, if generalized to some extent."* (HL). So, people in Finland do not necessarily realize they could support arts and culture by donating to these organizations, or companies may not realize that an arts and culture organization could be a potential strategic partner for them.

Furthermore, it was found that many people do not think they should support arts and culture organizations, but that the public sector should be the funder for them in Finland; *“If you think about especially the viewpoint of an individual donor, the majority of Finnish people do not think they should donate to arts and culture, because most of them thinks that arts and culture should be funded by the public funds.” (HL)*. People are used to the power of public sector in Finland, and this general opinion certainly takes time to change; *“Finland is an extraordinary country in that way that many actors have used to that the operations are state-funded. Or at least in some ways state-funded.” (JT)*. Also, *“This requires this kind of mental and cultural change in here (in the society).” (JT)*.

It was also found that some arts and culture organizations had confronted suspicion and resistance among the private sector towards donating and supporting, for example when they were conducting public fundraising campaigns. One general argument among people, both among individuals and companies, seemed to be that why would they donate when they are already paying high taxes for the state. Also in general the public fundraising campaigns were seen as challenging for arts and culture organizations.

As development points, arts and culture organizations could be part of trying to broaden the donation and philanthropic culture in Finland, and making donating more familiar to people and demonstrating that arts and culture are also relevant causes to donate to by communication, marketing and telling the story and case for support of the arts organization *“how to broaden the donor horizon, so that donors would think broader and think that these (the traditional items for which to donate) are not the only options, but actually it can be an option for using the money for something else such as buying a pint of beer, for example. So this way. And overall the creation of the culture of philanthropy for the arts broadly, and also inside the arts organization, and that is also related to the culture of solicitation (in the organization).” (HL)*.

So all in all, we are still in the beginning of creating a culture where public and private support would go well hand in hand, and that art and culture organizations would have a broader support base. Increased private support should not be seen as leading to the collapse of public support.

“We still have that kind of culture in the making, where we would have public support and donating being naturally side by side together. Donating is being seen too much as a substitutive activity for public support, instead of seeing that both or all kinds of possible funding forms are needed. And that is then enriching the society, when actors as diverse as possible are doing something together and building things. I think this is something that will happen gradually through the concrete action.” (NM).

Challenge: The public support mechanisms are lagging behind the funding development in the arts and culture field. The legislation affecting fundraising is ambiguous and unclear in many cases. Taxation system is unequal to arts and culture organizations compared to universities.

Development points: Developing and increasing public support mechanisms (tax deductions, matching funding, Money Collection Act) to encourage and support private fundraising and funding in arts and culture field. The conditions for money collection and getting public support should be clear from the beginning.

The public support mechanisms were also found to be challenges and development points. They were seen as ambiguous and unclear in some cases. With the public support mechanisms the interviewees meant tax deductions, Money Collection Act and also matching funding especially offered by the state in the case of fundraising campaigns, for example. As it was found, these mechanisms all require a political decision behind them so they are external challenges and development points.

What was found is that if the state wants the non-profit arts organizations to do more private fundraising, the state should provide more and more developed tools for that. Many seemed to think that if there are no general tools, such as tax deductions, simpler Money Collection Act and state matching funding, to support and encourage that, it is much harder to do private fundraising here in Finland; *“if the state is more and more withdrawing from its maintenance role as a funder, then it should give the tools for doing private fundraising operations better. That is quite a big challenge.” (JS).*

So, as one tool many wished for the broadening of tax deductions so that donations made by private persons to arts and culture would be tax-deductible. Currently they are not, as mentioned in the Legal environment section. Many see that this would help private

fundraising a lot and encourage the increasement of private funding; *“If donations (for arts and culture organizations) would become tax deductible, that would help private fundraising a lot. So similarly as donations to universities currently are tax deductible. So, also thinking of that, I think it is hard to justify why one type of non-profit organization (university) is seen of different value than another organization.”* (KK). Indeed, there was found to be wondering of why tax deductions are possible for donations to universities but not to arts and culture in the case of a private person. Some thought that these strong limitations for the private persons in tax deduction possibilities steer the donation actions and their donation targets. Some saw that it was evident that the public sector wants to support the private funding of universities, but not the arts and culture field in the same way. So, currently the private person cannot make a choice to which target to give a donation if willing to get a tax deduction of it.

“There is quite a strong political consensus that the significance and meaning of culture is very strong. And culture has costs. So you need to fund it in some way. And if it is not funded from the taxes, so if the public funding is not increasing, then the private funding should be increasing. And then the next logical step should be taken; meaning that the private funding would be publicly supported by this tax deduction system.” (KK).

It was also found that the state matching funding mechanisms (*valtion vastinraha*) could be developed further, and that the matching funds could be offered to the arts and culture organizations more often to help fundraising from the private sector: *“and then the broadening of the matching funding thinking”* (JS). The matching funding often acts as a motivator for the private sector to become involved in the fundraising. The overall clarity and clear preconditions of the use of the state matching funding was also hoped for.

“If we think about these public support mechanisms, what matching funding is, I have now followed three fundraising campaigns very closely and I can say that there is still a lot of work to do to make the preconditions clear beforehand. ----- So clear rules, which would be analogical to everybody. And how this is done, is of course in the political ministry departments, so the decision preparations should be done in those.” (JT).

Also the Money Collection Act, just recently renewed as the Fundraising Act, was found to have room for development at the time of the interviews; *“the possibilities to start to do fundraising campaigns should be broadened. In my opinion, it is good that the money collection is subject to permission in this environment where we are operating, because then*

the collections stay transparent better. But however, the conditions should be simplified and clarified.” (JT). It is a positive thing to notice that the new Fundraising Act coming into force in spring 2020, which was mentioned earlier in the Legislation section, will certainly ease the fundraising permit applications, for example.

All in all, as it was found that many wished for clarifying and simplifying the public support mechanisms, it indicates that the public support mechanisms are very important in helping private fundraising, but too much bureaucracy takes resources from the actual fundraising planning and operations, and that is something the arts organizations do not wish for; *”I would say that if doing this funding development, you cannot currently put that much resources to it. Because if all our time go to this kind of bureaucratic research... For example this Money Collection Act is still not very clear ----- so it requires joint development” (NS).*

Challenge: There are a lot of actors in the arts and culture field. Can all them get relevant results from fundraising efforts? Competition of the private (and public) funds in arts and culture field and with other causes.

Development point: Fundraising operations must be carefully planned. There must be enough time between larger campaigns and operations.

Then, another challenge, which was found, is the fact that there are a lot of arts and culture organization in our relatively small country and therefore, not all of them can get relevant results from fundraising; *”We have the same situation in the arts and culture sector as in the university sector and in many other fields as well, that we have too many different actors to this such such a small country.” (JT).* They are all competing with each other of the private funds as well as the public support. In addition, they are competing with other important causes in the society - universities and education in general, non-governmental organizations such as the earlier mentioned humanitarian organizations and so on.

”Of course then everybody has the concern whether the funds on the whole are enough for everybody when there are in a way more fish in the sea to share the pool of money, but...it is partly realistic concern for sure, when talking about large sums of money, but on the other hand one can think that the money is taken from something else also. So that it (the money) is not necessarily taken away from other (arts) organizations.” (HL).

Furthermore, building a long-lasting and professional operation of fundraising and partnerships requires enough time and resources; it can be in the future that only certain arts organizations have been able to build these operations part of their daily activities; *“I believe that in ten years there has been this kind of change that we have a few noteworthy actors (in arts and culture field), who have built a regular company cooperation as an operation next to the normal operations (of the organization) in that way that it is part of the daily life of the organization.” (JT).*

What was also found is that there are not too many larger private funders in Finland; *“If we think about Finnish funders, there are quite little of them. So you cannot every year solicit for mega donations.” (NS).* This means that the arts organizations cannot be asking larger donations all the time but they need to leave time in between the fundraising, especially regarding major gifts; *“so if you do it (fundraising) here in Finland, you do need to leave some intervals in relations to the funders, before you can make the next solicitation or cooperation proposition.” (NS).* Some interviewees even commented that Finland is quite a capital poor country, and this affects fundraising.

To sum this whole section up, the funding and fundraising of arts and culture organizations are in a transformation point, as discussed earlier. This transformation and beginning point puts challenges ahead. On the whole, the transformation towards more strategic and professional fundraising means that there are still a lot of things to be done: for example new skills and processes to be adopted related to fundraising and partnerships. It was also found that even though many arts and culture organizations have skills and resources required to fundraising, such as marketing, sales and communication skills, efforts and know-how put to strategic fundraising and partnership building is limited.

“if we think about these culture organizations, there are for sure marketing, sales or communication or all of these operations, but how much they put efforts and invest in building partnerships is limited. Not to mention that if you present the term ‘fundraising’, how many really of them refer that we are doing this (fundraising) systematically, structurally and according to systematic annual steps in our organization. I would suppose that quite few (culture organizations) can say that “”yes, this is in shape in our organization””.”

Table 6. Challenges and Development Points of Fundraising for Arts and Culture Organizations.

	Challenges	Development points
Internal	To get fundraising more strategic and long-term activity in the arts organization. To make the partner and supporter relationships continuous and long-lasting, so that funds are received regularly, and not just as single investments or donations.	Careful planning of systematic fundraising operations. The activities of fundraising, company cooperation and partnership building need to be in the core of organizational strategy and in the annual plans of the arts organization.
	To get the organization management understand that fundraising requires investments. To get the whole arts organization to see the importance of private fundraising and get the personnel involved in the fundraising efforts.	Internal cooperation in the arts organization must be developed. The managers and personnel of the organization should be involved in the fundraising activities and processes. More investments to fundraising.
	Lack of enough resources, skills and knowledge to do professional and strategic fundraising, company cooperation and partnerships.	Developing and acquiring the skills and knowledge needed in fundraising and partnerships in the arts organization, such as productization, business, finance and legal skills. Arts organizations would benefit from more economists, lawyers and engineers as employees or consultants.
Both internal and external	Company cooperation done in arts and culture field does not turn into funds for the arts organization. How to get companies to see the value of arts organizations as potential partners.	Communicating openly about the arts organization and its operations. Making the operations more transparent, so that audiences, partners and stakeholders could understand the organization's work better and therefore make them interested in the arts organization's work, or continue the support.
	Finding content and projects relevant and beneficial to both parties in partnership. Finding mutual understanding and vision of the cooperation and content of it.	Carefully concepting partnerships and making company cooperation plan in the arts organization that is aligned with the arts organization's brand, to enable strong and relevant content in the partnerships.

External	The donation and support culture in Finland is still narrow, and arts and culture field is a less known target to donate to.	Creating and broadening the donation and support culture in Finland through communicating the case for support and through fundraising operations. Making donating more familiar to people. Arts organizations learning to solicit support.
	The public support mechanisms are lagging behind the funding development in the arts and culture field. The legislation affecting fundraising is ambiguous and unclear in many cases. Taxation system is unequal to arts and culture organizations compared to universities.	Developing and increasing public support mechanisms (tax deductions, state matched funding scheme, Money Collection Act) to encourage and support private fundraising and funding in arts and culture field. The conditions for money collection and getting public support should be clear from the beginning.
	There are a lot of actors in the arts and culture field. Can all them get relevant results from fundraising efforts? Competition of the private (and public) funds in arts and culture field and with other causes.	Fundraising operations must be carefully planned. There must be enough time between larger campaigns and operations.

4.3.3 Other future insights for fundraising in arts and culture field in Finland

It was also found that in addition to the earlier mentioned internal suspicion inside some arts organizations towards private funding and fundraising, also the discussion in Finland about private fundraising, especially regarding donations, have been contradictory. It was found that there still have been some resistance and prejudices towards private fundraising and funding in the Finnish society, both in arts and culture field and in other fields as well; *“There still continues to be quite a lot of prejudices towards private money in the arts and culture field, although they have been of course softened a bit in this 20 years’ time.” (NS).*

Also the following quote describes well the general opinion in Finland of the public sector being responsible for funding certain areas the most: *“There is for sure this kind of societal difference (between Finnish and American societies), and it can be clearly seen in the fundraising of the new Children’s Hospital (in Helsinki). That is not arts and culture, but it is a good example of how the project succeeded in collecting a lot of private funding, but at the same time in the public discussion there were opinions that because of the great importance*

of the Children's Hospital, it is downright disgraceful to be forced to collect private funding for that project; that the public sector is not funding that enough." (EE).

Furthermore, it was found that traditionally commercialism and business-based cooperation with companies have been under the same prejudices and suspicion in the arts and culture field, but this has now during recent years changed a lot, partly because *"I think this is also a matter of generations. So that generation, which was used to the fact that public funding is growing and sufficient, took a suspicious attitude here towards the business world and the motives of business world."* (KK).

As touched earlier in this section, the suspicions and prejudices towards private fundraising inside the arts and culture field can partly be explained by the fear of the crowding-out effect, meaning the fear of decreasing public funding if private funding is increased:

"Maybe it is more inside the arts sector where people are being afraid of that the development of donating actions would endanger the public funding. But I would not be afraid of that, because in my opinion those fit to a natural co-action, and just as companies get monetary support, for example company subsidies from public sector, similarly the public funding for arts and culture still has to be in tune and remain there." (NM).

Another fear that was found, partly explaining the remaining prejudices in the arts and culture field, is the question of how private money, and especially if it increases, will affect the content of the art. Some thoughts regarding that more private funding may change the content of the art in some ways, or at least change the selection of what kind of projects are being funded and executed, were found: *"probably some of the critique (towards private fundraising in arts and culture field) is targeted to the fear that then the private financier will tell what kind of music is being played and what kind of dance is wanted to be seen, as an example. So, this is genuinely a very complex question. Then also the question that how popular art is being supported; is it better that high-class art to empty auditoria is being supported, than a bit more popular and common art. So finding the balance and boundaries is for sure a demanding task."* (ML). However, it is good to notice, that public funding is neither totally 'neutral' funding; *"when culture is being publicly supported, then there is of course also some person who makes the decision of what kind of culture is being supported*

and in what grounds. And then the public funding neither is any more free from the value judgements (than private funding).” (EE).

However, it was also found that many think that there is already being and going to be larger mental and organizational changes in the ways of thinking about fundraising, company cooperation and commercialism in general; *“I believe that the resistance, which maybe originates from these publicly funded operations and in some organizations from the fact that commercialism is seen as repulsive, is going to crumble.” (JT).* Also many believe in further convergence between the arts and culture field and business sector and seeing increasing private funding and fundraising as a positive development, *“So in my opinion there is now clearly a mentality change. But it is of course also a bilateral change; in the business sector they also understand the norms and standards of the culture field in better ways now. Not only has the suspicion on both sides decreased, but also the both sides understand each other better.” (KK).*

As final notes, many interviewees thought that the significance and importance of arts and culture will not decrease, but rather increase in the future, as people have a growing desire for cultural experiences and experiences in general, and the effects of arts and culture on people’s well-being are even more recognized. This can be seen as a trend; *“I would say the Amos Rex museum is a good example of how strong need and hunger people have for cultural experiences, and it is not going to decrease.” (ML).* Also, the growing interest towards cultural experiences support the confidence for the increasing private fundraising also in Finland; *“It is hard to say that the support and patronage for arts and culture, or broadly for this kind of societally meaningful activity, would be a bad thing. So this supports the view that we could get more resources to there.” (JT).*

5 DISCUSSION

5.1 Insights to Fundraising in Arts and Culture Field in Finland

The aim of this thesis was to study how private fundraising is done in arts and culture organizations in Finland, and what challenges, development points and future possibilities there are related to it. The research questions are:

How do Finnish arts and culture organizations do private fundraising? What challenges and development points are there?

In this chapter, I will discuss further my findings, and relate them with the theoretical background of this study. I will discuss my findings related to the fundraising literature including also sponsoring and partnership literature, and related to the organizational translation literature, which helps to understand fundraising as a management idea and its transformation and modification in the Finnish context.

The findings suggest that more active, professional and strategic private fundraising in the arts and culture field is in the beginning, and different organizations do it to different extents. It can be drawn together that arts and culture organizations in Finland are in a transformation point when it comes to funding of the organizations. Many have during recent years started to put more efforts to private fundraising operations. Some organizations, such as universities, have done it a longer time, but some arts organizations are still in the planning phase of the fundraising operations or just started to build the processes of fundraising in their organizations, as it was found. This means they are in the phase where they are also experimenting which could be the result-bringing processes. Indeed, an interesting finding is that it may require enough experimentation before finding the right fundraising operations for the arts organization; trying different processes - paths - and then making adjustments. Also, as it was found, it requires enough time between starting the new operation and the possible results. It may also turn out that the results of the fundraising operation are not satisfying and that there is not enough return on invested resources, which then needs adjustments to the operations.

It was also found that in order to make fundraising and company cooperation continuous and systematic operations in the arts organization, they have to be part of the strategy, long-term vision of the organization, and part of the other operations in the organization. I would say that otherwise there is a danger that the fundraising operations stay at the experimentation level, and the organization can try different forms but it can be that none of them really becomes successful enough. So, the findings indicate that the plan for the fundraising operations must be based on the organizational strategy, and that the planning for fundraising must happen simultaneously with the organizational planning, and these are also emphasized in the theory (see for example Lindahl, 2010; Sargeant & Shang, 2010). Also Rosso (2010)

claims that fundraising cannot be an isolated activity but it must be part of the organizational management system and part of the organization's mission, objectives, goals and programs. The findings are also in line with Rosso (2010), that the overall organizational strategy sets the objectives for fundraising. Also, when the fundraising operations are in the strategy, the organization management becomes more committed to them. The findings suggest that as many Finnish arts and culture organizations are in the beginning of doing active fundraising, the operations are not necessarily as integrated and part of the organizational strategy as they could be, in order to have the operations part of the annual plans and daily activities.

Moving on, it was found that in Finland, fundraising operations are however already done in many forms. Some forms are not yet established in many organizations but mainly experimentations in some organizations, such as the new way of doing prestige instrument investing. One of the most common forms of doing fundraising is company cooperation including all kinds of partnerships and sponsorships, and grant seeking from private foundations, which was found to have been and still is an essential form of fundraising for Finnish arts and culture organizations, and often the larger grants from foundations are so important and strategic to the arts organizations that many regarded the cooperation with the foundations as partnerships for them, as it was explained in the findings. I see this as an important notion as the partnership thinking with foundations can also help to develop the cooperation and maybe get more support from them, as then the arts organization is not seeing the foundation just as an actor from where to seek funds through an application, but rather make the arts organization think of the foundation's own objectives in seeking impact in the society, for example.

Related to company cooperation, it was found that this has been done longer in arts and culture field, but what arts and culture organizations can still be lacking is the long-term and strategic partnership building with companies, which is seen as a challenge and a point for development. In literature, Seitanidi & Ryan (2007) make a distinction between sponsorships and partnerships, regarding partnerships to be the most integrative and developed form of Corporate Community Involvement (CCI). However, the empirical findings suggest that most organizations do not separate between the terms sponsorship and partnership but use them interchangeably. Some people however seem to relate sponsorships to more traditional ways of doing company cooperation, relating it to logo visibility and so on.

However, the findings also suggest that the arts and culture organizations understand that the partnership would need to be in the strategy of both parties, the company and the arts organization, and that the arts organization has to define the most potential and strategic partners to it. No organization has the resources to aim partners from all directions. The partnership thinking also came out when the interviewees were talking about together developing various things and together planning content for the partnerships. This is in line with Seitanidi & Ryan's (2007) notion that partnership has a process orientation instead of just looking at outcomes, which of course also are important. Also, the importance of the match and matching values between the partners was emphasized throughout the findings, and this is in line with Seitanidi & Ryan (2007) and Burlingame's (2010) notions on partnerships. They claim that asking how the relationship benefits both parties is very important and that companies want to support causes that form a link between the company and the nonprofit organization. This is therefore something that the arts organizations need to think through before contacting the companies, and they could emphasize these matters even more towards potential company partners through communication. Also, partnerships aim at symmetrical relations and transfer of resources between the partners (Seitanidi & Ryan, 2007). The values need to be symmetrical, and also the interests and mutual understanding of the partnership should be somewhat symmetrical.

So, arts and culture organizations can be thought as a good match as a value partner for the companies. It therefore seems that the company cooperation and partnerships done with arts and culture organizations have features of being socio-sponsorships and social partnerships, which aim at addressing social issues affecting all the interested parties and which include transfer of both monetary and non-monetary resources (Seitanidi & Ryan, 2007). But all in all, when considering Seitanidi & Ryan's (2007) features of partnerships, it can be drawn that not all the company cooperation currently done in arts organizations in Finland can be regarded as partnerships as they seem to be more traditional sponsorships having not as high investments and commitments as they could have. So, here is room for development.

In addition to the challenges of long-term and strategic partnership building with companies, another challenge related to company cooperation is that even though it is being done quite a lot, it does not turn into money or does not involve enough money. It was even found whether all company cooperation can be called as fundraising because of the lack of money involved in it. Long-term partnerships, which could have a great impact on the funding of the arts

organization, do not exist much in bigger picture in arts and culture field. Also, many bigger donations received seem to stay as single donations for the arts organizations. However, the need and potential for strategic and systematic company cooperation and partnership building is being recognized among the arts and culture organizations, but the organizations would need more professional skills and resources for that. It seems that arts and culture organizations would need new and more innovative perspectives to doing company cooperation, and not do the same kind of cooperations that have been done before. New, bold and innovative perspectives to company cooperation, enough professional skills and enough time for planning the partnerships, and doing the company cooperation operations strategically and systematically could then lead to more monetarily significant partnerships. Regarding the motives and reasons for an arts organization to do private fundraising, it was interesting to notice in the findings, how much private fundraising was explained to be a practical reality and becoming a crucial part for the arts organizations. A major reason for these was the fact that public funding for the organizations was not seen enough and it was said to be at the same level or even decrease. The uncertainty around the crucial public funding was quite strong. Therefore, through private fundraising arts organizations aim at a broader funding base. This kind of mixed-economy financing of arts and culture organizations is also supported in the theory, as Klamer et al. (2006) claim that the best strategy in financing arts and culture would be the focus on interaction and collaboration between all the three sectors: market, third sphere (nonprofit organizations) and the public organizations (the government). But, as it can be seen from the uncertainty around the public funding, the motivation and even pressure to develop the funding of arts organizations comes initially from external contingencies, and that the national and local economic conditions affect the priority of fundraising, as Lee & Shon (2018) also claim – for many Finnish arts and culture organizations these economic conditions have caused pressure to put private fundraising as their strategic priority. Also, according to Lee & Shon, 2018, “the amount of resources a nonprofit allocates to fundraising activities can be an indicator of the strategic importance of these activities.” (p. 2). So, this notion can be used as an indicator when looking at the fundraising priorities of Finnish arts and culture organizations.

Continuing, the networking, relationship and communication aspects were found to be emphasized a lot in fundraising; which is in line with the theory. It is not only receiving money, because before any money can be received, it requires networking and building

relationships. As for example Sargeant (2001) discusses about relationship fundraising, and Lindahl (2010) emphasizes the importance of cultivation – getting to know prospective donors and forming relationships with them through different kinds of media – in the fundraising process before any support can be asked. Also, as it was found, fundraising has a strong communicational aspect as through fundraising the organization can tell about the organization and its operations and programs to audiences who can be potential supporters. Also Lee & Shon (2018) mentioned that fundraising raises awareness of the organization on the whole. So, the findings support the view that fundraising is about sending a message: communicating the case for support of the organization and the larger cause, as also suggested in the theory (see for example Seiler & Aldrich, 2010). Even though the term 'case for support' was not used in the interviews, the importance and understanding of it strongly came out in the findings. The findings suggest that the case for support should come in the form of a story; either a story of the whole organization and its mission, or the story of the fundraising campaign in question. All in all, the relationship-building and communicational objectives of fundraising, that are among the findings, are in line with Rosso's (2010) notion that fundraising should serve a larger cause and not just aim at raising funds.

One main challenge and a development point that the findings suggest is the broadening of the donation and philanthropic culture in Finland. It was found that there is quite a narrow donation and philanthropic culture in Finland, and it is not necessarily encouraging private donations to arts and culture or easing the private fundraising operations in the first place. In Finland, donations and support are concentrated towards humanitarian and environmental non-profit organizations and not that much for arts and culture organizations. It seems that the strong public funding system for arts and culture in Finland affects a lot people's opinion about donating to arts and culture organizations. Many people, even some employees inside the arts organizations, seem to think that public funding is enough and that the organizations should be publicly funded in the first place. This kind of thinking is still strong and it requires time to change, if the private fundraising is wanted to be increased in arts and culture field in general. Communicating the stories of the arts and culture organizations and being active in the society help arts organizations to legitimate their fundraising operations and help people get to know about the arts organization, change people's opinions and maybe become interested in supporting the organization. This all can then broaden the donation and philanthropic culture. What was also found, every individual should be offered a suitable way

for them to support arts and culture organizations. Designing different forms for support and emphasizing that all sizes of donations matter are important. This was also mentioned in the theory – see for example Lindahl (2010).

Also, partly because of the narrow donation culture and also due to the lack of capital in Finland, it was found that there should be enough time left between the solicitations of bigger sums of donations (for example a fundraising campaign) as individuals, foundations and companies won't be donating all the time, especially bigger sums. So, the solicitation points must be planned well. Also, the arts organizations are competing with many other causes, such as science and education, which receive grants, donations and other support from many same private actors as the arts organizations. These issues are also supported by the theory; Sargeant et al. (2000) and Courth et al. (2015) talk about 'donor fatigue' as a reason for non-support, meaning that the same donors receive too many solicitations and cannot help all.

Another main challenge and development point is the broadening and building the public support mechanisms for private fundraising, if it is aimed at increasing it in Finland. Related to this, the findings suggest that the public support mechanisms are important for encouraging and increasing private fundraising, and therefore broadening the philanthropic culture in Finland. However, the mechanisms are in the development phase and lacking behind the changes in the funding perspectives in Finland. If the private funding in arts and culture field are to be increased, the findings suggest the introduction of the tax deduction for private persons in donations to non-profit arts and culture organizations, so that individuals can themselves decide where to donate and still get the tax deduction. However, related to the tax deductions, the findings also suggest that broadening the tax deduction in donations to arts and culture would not necessarily increase the whole sum of funding for arts and culture, but it would only change the ratio between the public and private funding. But I would say that even though the tax deduction possibility would not increase the total funding for arts and culture, it still has an important communicational purpose and objective – it helps to signalize for the private sector that their support is needed and appreciated, and helps therefore to broaden the donation culture in Finland. As said earlier, many people in Finland continue to think that the public support for arts and culture organizations is enough and that the public sector should anyway be the one to support them the most, as the findings suggest. This is also a common reason for nonsupport mentioned in the literature (Sargeant et al., 2000; Courth et al., 2015). Also, I would say that the current, rather unbalanced system in tax

deductions - encouraging individuals to donate to universities but not to arts and culture organizations - also maintain the narrow and undiversified donation and philanthropic culture in Finland, so therefore the system should be developed.

Also as development points, it was found that other public mechanisms, such as the matching funding and legislation related to money collection act should be further developed and eased for the organizations. The Money Collection Act has now been under development and the new Fundraising Act will come into force in spring 2020, as stated earlier. It remains to be seen what the effects of it will be for the arts and culture organizations in practice or if it will increase fundraising and therefore private funds for arts and culture, but in general it should ease a lot organizing fundraising operations such as fundraising campaigns. Also, the matching funding thinking could be broadened, as it was found, and again take model from abroad: in certain countries matching funds can be given not only by the state but also by individuals, companies and foundations (see for example Weinger, 2017). This broadened matching funding could be made available in upcoming fundraising campaigns of arts and culture organizations, for example, and arts organizations could be part of developing and promoting matching funding programs for also individuals, companies and foundations. As a final note related to the public support mechanisms, it should be noted that the development of these mechanisms are state-wide decisions done by the Finnish government. Therefore lobbying towards those is required, and for this, the arts and culture field associations and arts and culture organizations should do cooperation in getting their voice heard.

Finally, the discussion about private funding and fundraising is linked to a broader context of welfare country system and the relationship between public and private money. Which targets in the society should be funded publicly by the state and municipals? What should be funded by private money and what are the roles of public and private sectors? It is important to consider these issues also.

5.2 Insights to Organizational Translation Theory Regarding Fundraising as a Travelling and Translated Management Idea

The organizational translation theories (Czarniawska & Sevon, 1996; Morris & Lancaster, 2006; Sahlin & Wedlin, 2008; Wæraas & Sataøen, 2013) suggest that context matters and when the management idea is travelling from context to another, it somehow transforms or purposefully is modified and translated. This translation and transformation of the management idea happens because, as explained in the theory part, the ideas meet obstacles when they are travelling to the new context: they are considered as being inappropriate for that particular context. That is why the ideas need translation: to become suitable for the context, to become localized (Czarniawska & Sevon, 1996). Ideas that are in the form of models and practices can be adapted and modified and also take new forms in the travelling (Sahlin & Wedlin, 2008).

As I explained in the theoretical framework of this study, fundraising can be examined through the organizational translation theory as fundraising can be thought as a management idea which has travelled to other countries, such as Finland, from the US and UK contexts, where fundraising have been a long tradition and part of the countries' history. So, the management idea of fundraising has come from these contexts, and the findings indicate the same. In the findings, the fundraising practices of US and UK countries were seen as the norm of fundraising, the original ways of doing fundraising. They were seen as a role model to be learned from example. As I explained in the findings, many interviewees referred to that when fundraising as a practice started to spread to Finland, the role model for that was taken from the US and UK fundraising, and this is still going on; many Finnish arts and culture organizations currently use the US and UK models as benchmarks for fundraising and its operations. So, the Finnish arts and culture organizations are currently looking at what is done in these countries in fundraising and translate similar activities to their own organizations. Some of the benchmarked and translated activities include for example prestige instrument investment product and using fundraising committees, which some Finnish arts organizations have established. As translation theory suggests and the findings indicate the same, the Finnish arts organizations do not just adopt the same fundraising model as in the US but the organizations translate the fundraising operations to the Finnish context and to be suitable in the Finnish society and cultural environment. The interviewees for example constantly compared the fundraising operations done in arts and culture

organizations in Finland to the operations and processes done in the USA and the UK, and explained the differences between these two societies and cultures. So, translation was also happening in their speech. All in all, many arts organizations have started active fundraising operations, but are at the same time struggling with its adaptability to the Finnish society and culture. They are trying to figure out how to make it work here where societal structures are different, the funding systems are different, and people are not used to broad donation culture. As we can see from the findings, many challenges and development points found were related to these issues. So, in addition to developing the systems in Finland, translation of fundraising operations is needed.

It can be drawn from theory that one reason for Finnish arts organizations adopting and translating private fundraising operations to their organizations is that they see private fundraising as a solution to a problem, as Sahlin-Andersson (1996) suggest. The findings indicate that the problem is the decreasing and uncertainty of public funding and the need for additional funds for the arts organizations. Therefore, imitating the success models of private fundraising from the UK and USA can help in solving the problems, as Sahlin-Andersson (1996) suggest. Continuing on this, this imitating of success models to find a solution to the problem described above is not only happening in Finland but is part of a bigger evolvement in the Europe, as Klammer et al. (2006) claim, as I mentioned in the Introduction of this thesis. Also in other European countries there can be seen the ‘americanization’ of funding of arts and culture, and for example in Italy, this development has happened earlier than in Finland (Klammer et al., 2006). The ‘americanization’ can be seen referring to the adoption of a management idea of fundraising and the translation and modification processes happening in the fundraising practices in a certain country.

Continuing, as Sahlin & Wedlin (2008) claim, ideas do not just diffuse in a vacuum, but they are “actively transferred and translated in a context of other ideas, actors, traditions and institutions” (p. 219). All these parts of the context - other ideas, actors, traditions and institutions - also affect to the translation process of fundraising operations. As many scholars claim that ideas do not diffuse but are translated, it pays attention to the energy needed in the translation processes (Sahlin & Wedlin, 2008; Czarniawska & Joerges, 1996). This means that translation of the certain idea - fundraising - needs enough energy and resources to be translated to the Finnish context. Fundraising does not just diffuse to Finland and to arts organizations but arts and culture and other professionals need to actively do the adoption and

translation of fundraising operations to their organizations. It also requires that they actively discuss fundraising in the public and cooperate with necessary actors to get the fundraising operations translated into the Finnish society and that fundraising can be done effectively. For example, engaging and cooperating with the ministries in jointly developing the legislation affecting fundraising, such as the Fundraising Act, or lobbying for the public mechanisms supporting private fundraising, is important, so that result-bringing fundraising operations can be developed and executed in the organizations. Also, engaging more broadly with companies and corporations to raise awareness of the possibilities of corporate fundraising and company cooperation with arts and culture sector is as well important. The arts organizations need to actively act as advocates for the potential and possibilities of company cooperation with arts organizations.

Continuing on the above notions, part of idea translation is that the new practices become institutionalized (Morris & Lancaster, 2006), and this requires enough energy and resources, as mentioned above. It can be seen that the Finnish legislation system and public support mechanisms cause obstacles for the adoption of the original US and UK based management idea, because they differ from the American legislation and mechanisms. For example, as said in the Findings & Analysis chapter, tax deductions in donations to arts and culture are not as broad as in the USA. Therefore, it can be seen that translation is happening in how the fundraising operations are adjusted to the Finnish legislation affecting fundraising.

Translation is also happening in how the fundraising campaigns are designed and organized, and what kind of cases for support and motivations to support are defined for the campaigns and for the arts organizations as for example tax deductions cannot currently be a strong motivation for individuals to donate as they don't exist in Finland. Along the way as the fundraising practices are translated, and the legislation and public support mechanisms related to that are developed in Finland, the fundraising practices can become more institutionalized, as Morris & Lancaster (2006) mention.

It can be concluded that Finnish culture and societal structures affect the ways how private fundraising is done in Finland and how the US-based fundraising idea is translated to Finland. In addition to the earlier mentioned Fundraising Act and tax deduction system, the broadness of the private foundation field in Finland affects the fundraising operations in Finland. A lot of the fundraising operations done by the arts organizations were found to be directed to foundation support, as the findings indicate. The foundations seemed to be more

important to the organizations than for example individual support, which was said to be harder in Finland because of the earlier mentioned lack of tax deductions and because of narrow philanthropic culture. It also seems that the arts organizations better know the potential foundation supporters than potential individual supporters.

Continuing, Røvik, 2007 and Wæraas & Sataøen, 2013 discuss about translations rules used in the translation processes. They claim that the degree of transformability of a certain practice affects the way it is being translated (Røvik, 2007 in Wæraas & Sataøen, 2013). For example, if a practice or idea has explicit and more technical components, the practice is less transformable and therefore likely to be *copied*. On the other hand, if a practice or idea is less explicit including many process, people and complex knowledge, *alteration* is more likely than copying. In fundraising practices, there are parts that can be easily copied from the model - such as using different donation modes, such as bequests or annual fund, and using different fundraising techniques, such as forming a fundraising committee, organizing fundraising and networking events according to the original model and so on. However, there are also parts that certainly need translating - the more structural parts, such as how a fundraising campaign can be organized in general, what legislation needs to be taken into account and how the donors can be motivated when the tax system is very different from the US model in Finland, as mentioned earlier. Also, as the Finnish culture is very different, fundraising also needs more communication and communicating the case for support as an organization may not succeed with fundraising operations because of the narrow philanthropic and donation culture in Finland. Fundraising operations in Finland require enough time. Also, Morris & Lancaster (2006) discuss about translation and editing rules in the translation process, claiming that editing rules are based around contextualizing an idea, relabelling the idea and providing a plot to explain why the idea can bring success. The findings suggest that in Finland, it is especially important for the arts organization to come up with a plot to explain why fundraising can bring success to the arts organizations, as they need to persuade the internal employees and also the potential donors and supporters to support, give donations and make cooperation. It seems to be that in Finland, the arts organizations need to focus more in making new audiences to see the value and benefit of donating to and supporting arts and culture, whereas in the US, the arts organizations focus more in donor retention.

Continuing, O'Mahoney (2016) suggests certain questions from different perspectives to be helpful when studying translation processes. These questions include for example "What wider social and structural factors that contribute to translation?", "What role does human play in translation?", and "How do workers resist the translation activities of managers?" (O'Mahoney, 2016, p. 345). Based on O'Mahoney's (2016) recommended questions to be examined when studying translation processes, it can also be seen that in order to get the fundraising operations translated and functioning in the arts organizations, the whole personnel needs to be involved in the fundraising, especially in their attitude. From the findings it can be seen that the organization employees can either advance or hinder the translation processes of fundraising in the organizations. There is still some resistance among the personnel of Finnish art organizations towards the translation and adoption processes of fundraising; some resist the fundraising operations to be translated to their organizations. This makes the translation activities more difficult for the persons doing it.

Translation also happens related to how extensively fundraising from private sources is done and will ever be done in arts and culture field Finland versus in the USA. The findings suggest that Finnish arts and culture organizations do not wish to adopt the American model of funding art organizations to almost full extent. They only want to adopt some parts of it, the public funding staying as the major funding source for many organizations. Also, according to the findings, the arts organizations do not even see that the private fundraising operations could work in Finland to the same extent as in the US, because of the earlier mentioned legislative and tax issues and because of the different philanthropic culture. Therefore, translation is needed for making a model fitting Finland.

On the whole, it can be drawn that the management idea of private fundraising means quite a significant change both in the model of funding arts and culture in Finland but also in the way of thinking in Finland of how arts and culture should be funded, so therefore the above described translation and institutionalization processes related to fundraising take time in the Finnish arts organizations.

6 CONCLUSIONS

6.1 Research Summary

As fundraising is a current topic also in the arts and culture field in Finland, the aim of this study was to examine how Finnish arts and culture organizations currently do fundraising, and what challenges, development points and future insights there are in the Finnish context. My study succeeded in enlightening the background and current situation of fundraising in Finnish arts and culture organizations, the reasons and motives behind fundraising, the legal environment in Finland affecting fundraising and the forms and methods of fundraising currently used in the organizations. My study also examined the objectives of fundraising, recent results of it and supporter motives and objectives in donations and in partnerships. Lastly, my study enlightened the internal and external challenges and development points related to fundraising in Finnish arts organizations, and also gave insights for the future for fundraising in arts and culture field in Finland. Furthermore, my study compared the findings to the organizational translation theory enlightening the adoption process of the US-based fundraising model to the Finnish context, and indicating why context matters so much in fundraising. I also pointed out some cultural, societal and structural features that affect how fundraising is and can be done in Finland.

According to the findings, Finnish arts and culture organizations are now facing a new time, where active fundraising – including all modes such as donations and foundations grants, and company cooperation including sponsorships and partnerships - is seen more and more necessary for the organizations in order to be able to ensure the competitive edge for the organizations. It is seen necessary and beneficial not only because of the monetary objectives - need for more funds and broadening and diversifying the funding base - but also because of the communicational and organizational benefits it can create for the arts organizations. Through fundraising activities Finnish arts and culture organizations can communicate and tell about their organization and operations to the larger crowd and therefore raise awareness of them, better build brand, try to legitimate their existence and argue for their importance and show accountability in the society. Fundraising activities also help to develop the organization's overall operations and the whole organization. As the findings suggest, currently private fundraising is often done in Finnish arts and culture organizations for enabling new initiatives that could not be done otherwise or could not be done with public

money and for enabling interesting new content. Also, fundraising operations help to increase understanding and connections between arts and culture organizations and the business sector, leading to increased cooperation between them and thus benefitting both parties in the long run. From the translation theory we can conclude that many Finnish arts and culture organizations see the fundraising operations as a solution to their challenges – the uncertain and decreasing public funding of arts organizations, and that's why they have started to adopt the fundraising operations to their organizations and translate them from the US-based model to Finland. So, the findings suggest that the model for fundraising comes from USA and UK, and that many Finnish arts and culture organizations constantly compare those countries' fundraising operations to theirs and to the Finnish society and that translations of the US-based operations is happening when they are being adopted to Finnish arts organizations.

The findings suggest that fundraising is done in Finnish arts and culture organizations to different extents. Many organizations are in the beginning of doing active fundraising in their organizations, meaning that they have recently started to do it more professionally and strategically and to put more resources and efforts to it. Yet, it can be concluded that in general, the fundraising operations in many Finnish arts and culture organizations are still small and there could be more resources put to it. Many organizations are in the experimentation or planning phase. The findings also suggest that the fundraising operations could be more covered in the annual plans of the organizations. The findings suggest that there is unused potential in fundraising, especially in company cooperation and partnerships. Fundraising should be seen as an investment in the organizations and these investments could be done more bravely. However, the findings also suggest that not every art organization could get similar results from fundraising due to the small size of Finland as a country and due to lack of private capital here.

The findings indicate that the forms of fundraising done in practice in the Finnish arts and culture organizations are diverse. Based on the organization type (nonprofit or for-profit), organization strategy, traditions and experience, some arts organization do mostly company cooperation, some have focused on partnerships with foundations, some have taken multiple paths to do all forms: both donation fundraising in different forms, partnerships with foundations and company cooperation.

The findings also indicate that fundraising is much more than just straightforward request of money. The findings indicate that understanding the relationship- and partnership-building and managing, the importance of already-established networks and the legwork and meetings related to fundraising is essential, as all this is required before any money can come in. The findings indicate that fundraising is about sales, marketing and communications, and that these professional skills are required in the arts and culture organizations in order to execute the operations successfully. To get partners, supporters and donors, arts and culture organization need to open their organization and operations to the crowd, communicate about what they are doing and why, form a main story and message of their organization and tell this story for the crowd to persuade them to form partnerships with them or to donate to their organization. After the persuasion, they need to communicate how the funds have been used to keep the supporters close and make them donate again or to keep the partnerships long lasting.

An interesting finding of this study is also the impact of the Finnish context to fundraising in arts and culture field, and this is in line with the organizational translation theory, as the findings indicate that the context affects how fundraising can be done in Finland and therefore, what kind of translations of the fundraising operations occur. The contextual aspects are for example how the Finnish legislation and Finnish culture affect the fundraising. These can be seen through the challenges and development points that were found related to private fundraising in arts and culture organizations in Finland. Main challenges and development points found are the need for broadening the philanthropic and donation culture in Finland as it is quite narrow and concentrated to only some causes, and the lack of tax deductions for private persons in donations to arts and culture and thus the need for further developing the public support mechanisms to help easing and increasing private fundraising and funding of arts and culture. Other challenges include organizations understanding the investment perspective and getting fundraising operations more long-term and strategic activity in the organization, and making companies see the value of arts organizations as beneficial partners as currently the company cooperations done do not turn into enough funds for the arts organizations.

All in all, the findings suggest that there is potential and growth opportunities for private fundraising and company cooperation in arts and culture field. It was found that although arts

and culture organizations do not necessarily seem as very attractive partners to companies from the traditional brand visibility aspect, they are very potential partners as value partners. With arts and culture organizations companies can do value-based partnerships bringing impact to the society. Corporate social responsibility, mutual contents and interesting target audiences are important aspects in company cooperation with arts and culture organizations. However, the findings also suggest that currently many arts and culture organizations seem to have stayed at the same level of doing company cooperation, doing the same things and same kinds of cooperations as before and as they are used to do. This means there is room for more creative and innovative concepting of company cooperation. This could also help increasing the funds involved in the partnerships.

Public financing will continue to be an important and necessary part of financing arts and culture also in the future in Finland, and the findings indicate that arts and culture organizations do not wish to fully go to the US-model of fundraising, but they want to adopt some parts of it and translate them to their organizations. Many think that broadening the funding base is beneficial for the arts organizations and that there should be both public and private support. So all in all, for many arts organizations, especially those who are getting public funding, private fundraising is still being a complementary action, but as the findings suggest, there is potential in increasing fundraising operations in arts organizations, especially related company cooperation and partnerships. With enough investments in time, resources and professional skills in the arts organizations, results can be achieved. Also, the findings suggest that because there are tendencies that people are becoming even more interested in arts and culture and those causes that are worthwhile to support, resources and therefore fundraising operations could increase in at least some arts and culture organizations in the future years.

6.2 Theoretical and Practical Implications

My thesis adds knowledge both to practice and academically. In practice, the knowledge I contributed in my thesis can give insights and advice about strategic and professional fundraising especially to those Finnish arts and culture organizations, which have not yet started active fundraising operations. My thesis can help arts and culture professionals see the big picture of fundraising in Finland and see the main challenges and the points where there

is room for development; so that private fundraising could be further developed and the practices could become more established in Finland. My thesis also helps to show that increasing fundraising operations also need support from the public sector and that developing the public mechanisms may need more joint lobbying towards the ministries. My thesis also contributes to the larger discussion of how arts and culture can be funded in Finland.

My thesis has relevance also academically as the field of fundraising has been studied largely only in the US context, where fundraising forms the basic model of funding nonprofit arts and culture organizations. Studying fundraising in the Finnish context and identifying challenges in that context is therefore relevant. Therefore, my thesis adds knowledge of how fundraising is and can be done in Finland, and what societal, cultural and structural features affect it. My thesis also adds knowledge to the organizational translation literature as I have extended the translation theories to study fundraising practices as a management idea and how they are translated and modified in a new context – the Finnish context. My study suggests that it is important to take the processes of translation needed into account when adopting and integrating the model of fundraising to arts and culture organizations. Knowing what can be the points where translation happens is also important. Finding the suitable fundraising operations requires enough investments in money and time and results may not occur immediately.

I hope this thesis encourages arts organizations to do more private fundraising operations and do company cooperation more creatively and innovatively as certainly there is still a lot of potential in it to grow in arts and culture field in Finland.

6.3 Limitations of the Study

A limitation for my study is that my research topic was quite broad and I studied fundraising on a broad level, which results in that I could not go as much into detail to the concepts and findings as it would have been possible with a narrower topic. I intentionally took a broad perspective to fundraising in my research, including all main forms of fundraising and looking at the practices and operations of those in Finnish arts and culture organizations, and examining the challenges and development points as well. Including all forms of fundraising operations in addition to the general challenges and development points may be seen in the

possible lack of precision and specificity in my findings and analysis, meaning that my study stays at an overview level; explaining the overview of fundraising in the arts and culture field in Finland but not going into much detail inside the arts organizations. Also, including another theory – organizational translation theory – from outside the fundraising literature also broadened the topic and discussion of it, but however brought more theory to the topic.

6.4 Suggestions for Future Research

In this thesis, I did not study fundraising and company cooperation in the light of numbers and statistics, because I had the perspective on operations, structures and challenges. Therefore, I did not use any quantitative measures to analyze fundraising and its impact in the arts organizations. It would be interesting to examine the size of private funding in Finnish arts organizations currently, and to quantitatively study the current or potential results of fundraising: what impact has fundraising had or could have on the funding of the arts organizations in reality in Finland. It would be interesting to see how large the portions of private funds in the Finnish arts organizations' budgets are currently and compare these to other Scandinavian countries, which have similar societal structures. It would be also interesting to examine the actual resources put in fundraising operations currently in arts organizations to measure the strategic importance of fundraising activities in them, as Lee & Shon (2018) suggest. Also, it would be interesting to do a case study of one or a few Finnish arts and culture organizations and examine their fundraising process and operations more closely, as my study did not go to a detailed level.

Furthermore, I used the organizational translation literature to explain the contextual matters related to fundraising in Finland and discussed the findings in the light of translation theory. However, it could be interesting to extend the research in organizational translation theories and study the translation happening in the fundraising practices more in detail. It could be studied more in detail what kind of translation happens in the fundraising processes, what parts are being translated and who does the translation. Also legitimacy and institutionalism related to translation in fundraising could be studied more in detail: how are the translated management idea and the translated fundraising practices being legitimized and institutionalized in the certain context; how are the organizations doing the legitimation.

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8 APPENDICES

8.1 List of interviews

Essi Eerola, Head of Research, VATT Institute for Economic Research, 4.12.2018.

Anu Karessuo, Donor for arts and culture, 22.11.2018.

Kai Kartio, Museum Director, Amos Rex, 4.1.2019

Heidi Lehmuskumpu, Development Manager, Finnish National Opera and Ballet, 5.12.2019.

Marja Leskinen, Secretary General, Jane and Aatos Erkko Foundation, 16.11.2018.

Niki Matheson, Administrative Director, Helsinki Week Foundation, 21.1.2019.

Nana Salin, Liaison Manager, University of the Arts Helsinki, 14.12.2018.

Jukka Savolainen, Museum Director, Design Museum, 15.11.2018.

Jyri Tawast, Fundraising Professional, 16.11.2018.

Milla Valjus, Marketing Manager, Flow Festival Oy, 19.11.2018.

8.2 Example of interview guide

This is an example of a general interview guide (translated to English) used in interviews for professionals in arts and culture organizations. In addition to this, separate interview guides for the private foundation representative, individual donor and economic expert were used.

Intro.

Can you tell a little bit about your background? What do you do for work? What are your responsibilities?

How are you related to fundraising and company cooperation? Is it your responsibility?

What do you think about fundraising in the arts and culture field? What kinds of feelings does it raise?

Do you use the word private fundraising in your organizations or do you use other terms?

Private fundraising in general:

How have you organized the fundraising in your organization?

How many resources do you put in it? Who does it in your organization?

In which forms do you do private fundraising? (For example donations, support memberships, company cooperation (sponsoring and partnerships), crowdfunding, etc.)?

Why does your organization do private fundraising? What are the objectives of it?

What have you achieved with private fundraising? What does it enable in your organization?

How important is private funding and therefore fundraising (all forms of it) for your organization's operations currently (economic and other reasons)?

What kinds of professional skills does fundraising require?

Could you tell some examples of good/bad experiences of private fundraising.

About donations, more closely:

How do you get donations? In which forms have you received donations?

Have you organized fundraising campaigns aiming at receiving private money? When? What kind of goals? What could have been improved / done differently?

What kind of actors support / have supported your organization (private persons, companies, foundations)?

How do you make contact and convince potential supporters/donors?

What are the motives for donors to give funds? What kinds of benefits do the donors receive from the donations in your opinion?

About company cooperations and partnerships, more closely:

Do you have company partners? What kind of? How many?

What kind of partnerships and cooperation are they? What kind of support do you get from the cooperation (money, items, services)?

What meanings does the company cooperation have to your organization? What meanings does it have for the company?

How do you choose the company partners? What kind of criteria?

How do you get contact with the potential company partners?

How does the negotiation process go? Who are involved?

How do you measure the success of the partnerships?

Challenges, future possibilities and development points of private fundraising in Finland in arts and culture field:

What kind of challenges have you faced in private fundraising (all forms) in your organizations and in general?

How could the challenges be solved in your opinion?

Have you faced resistance for private funding and fundraising in arts and culture field in Finland? What kind of? Do you see problems in company cooperation in arts and culture field?

How would you like to develop your organization's fundraising (all forms)?

What kind of possibilities do you see in private fundraising in arts and culture field in Finland?

How important is private fundraising for your organization's operations in the future?

Should organizations / your organization do more private fundraising in arts and culture field in Finland? Why? Why not?

For the end: Do you have something more to say about this topic? Or add something?